Good morning ladies and gentlemen.

Let me start by thanking Barclays, and David Anderson in particular, for the invitation to speak here today.

Two years into this unprecedented industry downturn, we believe we have now reached the bottom in terms of exploration and production investment and activity as the physical supply and demand of crude oil moves closer into balance, and as we expect consistent draws from the very high levels of crude and petroleum product inventories to begin in the coming quarters.

While we are not expecting a V-shaped recovery in either oil prices or E&P investments, we still believe that the time has come to shift the conversation from cost cutting, headcount reductions, and decremental margins toward how the industry now needs to re-invent itself by rebuilding both capability and capacity as well as establishing new and more collaborative business models.

Going forward, both operators and service companies will have to consistently generate positive earnings and free cash flow, in what is likely to be a medium-for-longer oil price environment, where the industry players that are unable to achieve this will simply cease to exist.

These profit and cash flow requirements may seem obvious, but for an industry where mounting debt, write-offs, restructuring charges, and bankruptcy filings have become part of daily life, a return to financial health can only be achieved through a fresh approach that creates a fundamental step change in the underlying performance.

Interestingly enough, this is still not a topic that makes the E&P agenda.

Given the fragile financial state of the industry, the companies that are the fittest and that can adapt the fastest to the new industry reality will prevail…and we all know the story of the dinosaurs.

The positive news is that supply continues to fall and demand keeps growing, so investments will have to start increasing to ultimately balance the markets. These new investments will benefit the operators and service companies that command clear technical and financial performance differentiation, thereby enabling them to consistently reduce cost-per-barrel for current and future hydrocarbon developments.

As I will show you today, Schlumberger is uniquely positioned to excel and outperform in such a new industry landscape through two fundamental strengths; our unprecedented scale, and our unmatched ability to drive change throughout our company. This combination clearly sets Schlumberger apart and make us a very exciting investment proposition.

In my talk today, I will describe these unique strengths in more detail and show examples of how we are actively translating them into tangible and differentiated capabilities, some of which are partly evident in our results today with the rest representing a significant performance upside going forward.

But before we start, let's get the formalities out of the way. Some of the statements I will be making today are forward looking. Our results could differ materially from those projected in these statements. I therefore refer you to our latest 10-K filing and our other SEC filings.

This presentation also contains non-GAAP financial information. A reconciliation to the most comparable GAAP financial measure is available on the Company's website.

Looking at the current industry challenges, the chronic shortfall in profits and cash flow throughout the E&P value chain can only be sustainably addressed by a step change in quality and efficiency throughout the industry, as well as by the development of broader technology systems, including new and innovative hardware and software control systems.

In addition, we also believe that technology and workflow integration spanning all key industry workflows together with more open, collaborative, and commercially aligned business models is required to create the needed step change in industry performance.

This implies that we will likely move towards fewer and larger service companies, where leveraging scale and driving change in the areas of research and engineering, internal business workflows, organizational structure, and customer engagements will become essential business drivers.

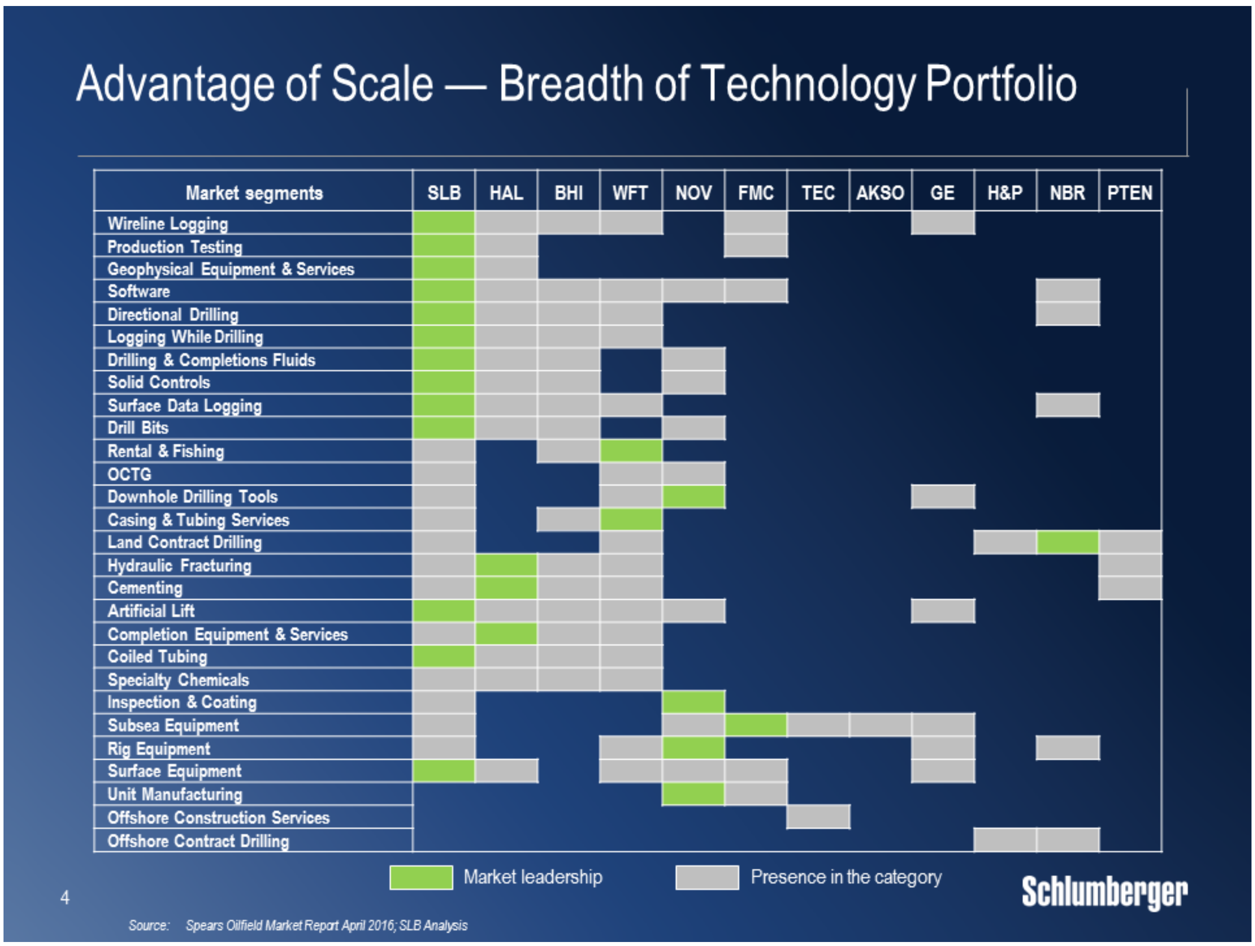
In line with this, Schlumberger has made a series of tactical and strategic moves over the past several years to further strengthen our size advantage in parallel with embarking on the most ambitious change management program in the history of the company, which is our company-wide transformation.

In a global industry that spans a broad range of technical workflows and capabilities, we see three dimensions of scale as essential drivers of our current and future performance.

The first is the breadth of our technology offering and our corresponding technical expertise, which together are key enablers in driving technology and workflow integration.

The second is the extent of our global footprint, which enables us to capture business opportunities in any part of the world with minimum lead time. Furthermore, the fact that we are omnipresent also provides us with a natural hedge towards fluctuations in activity between the various basins, resources, and project types.

And the third is the opportunity we have to capture and leverage the growing volume of data produced by our operations and turn this data into knowledge and improved performance using the latest advances in high performance computing, big data analytics, and machine learning.



Looking first at the breadth of our offering, we are today present in 24 of the Spears oilfield service markets and we hold first or second leadership positions in 15 of these. And, in those market segments where we are not currently in a leadership position, we have clear investment plans of how we will get there using our proven recipe of R&E investment and technical expertise that goes all the way back to the founders of our company.

The fact that we have claimed the number-one position in both Drill Bits and Artificial Lift in the past couple of years is clear proof that this strategy is effective and delivering targeted results.

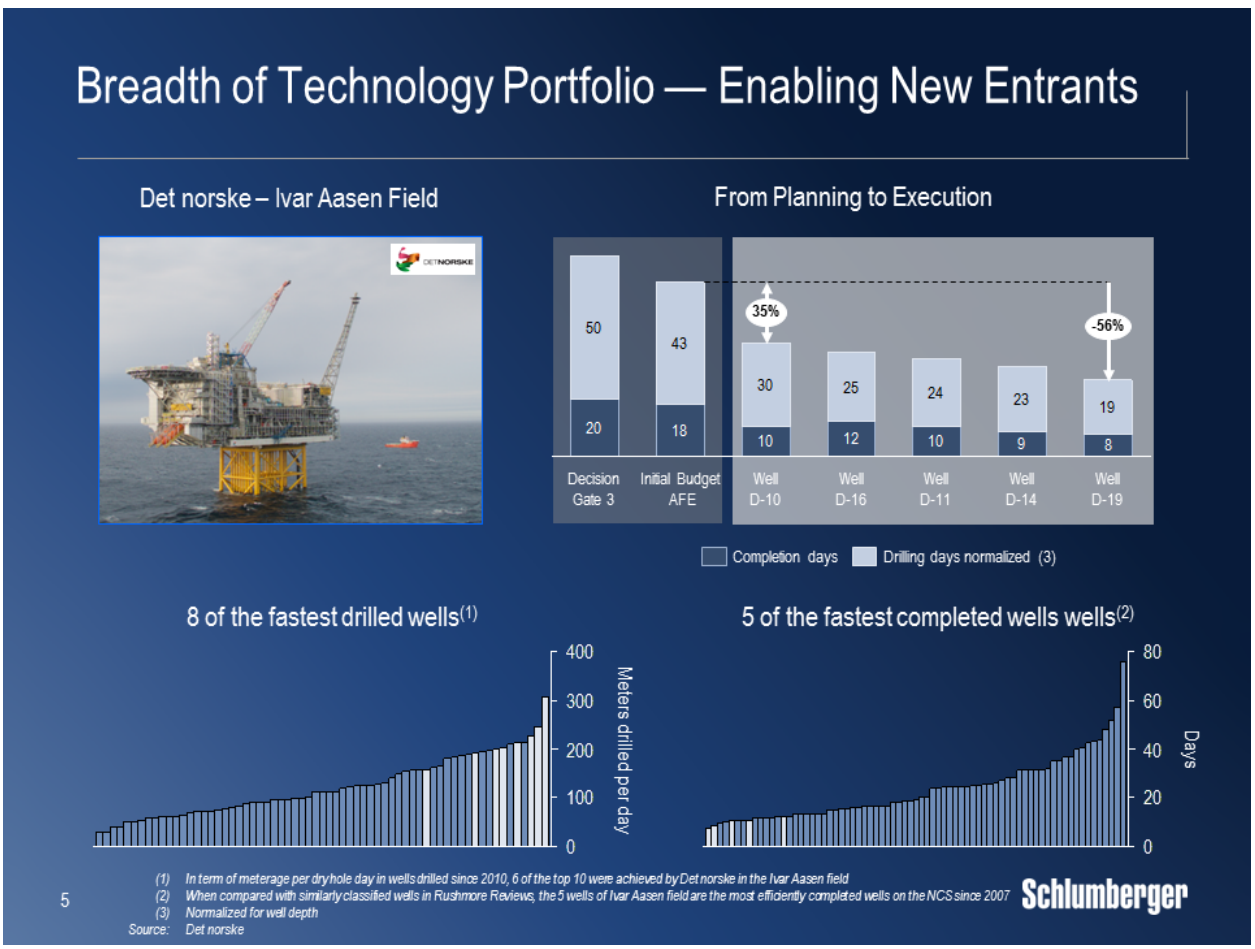
Based on this, there is no other company that comes close to matching our technology portfolio, which is clearly reflected in relative valuations and market capitalizations where today we are larger than the sum of our next eight competitors.

In the past two years, through our targeted acquisitions within land drilling and through the merger with Cameron, we have increased our total addressable market by approximately 45%, with significant market share opportunities in most of these.

All of this means that we have significant untapped growth potential, which we will capitalize on through our R&E plans, targeted M&A additions, and constant improvements in our overall competitiveness.

In addition to the leadership position in each of our individual product lines, we have also established four separate integration businesses spanning basic project coordination, integrated drilling services, integrated production services, and our production management business.

For each of these, we have dedicated training and development programs for our project managers and we have targeted software and hardware R&E investments aimed at creating a step change in performance for all the major workflows we deliver to our customers.



The breadth of our technology portfolio and technical expertise together with our solid integration capabilities enables us to deliver unique value for our customers, spanning large and well-established international and national oil companies all the way to small independents.

One example of the latter is the close and successful collaboration we have with Det norske on the Ivar Aasen field in Norway.

The field was discovered in 2008 in the North Sea in 112 meters of water, and represents Det norske's first significant, large-scale field development.

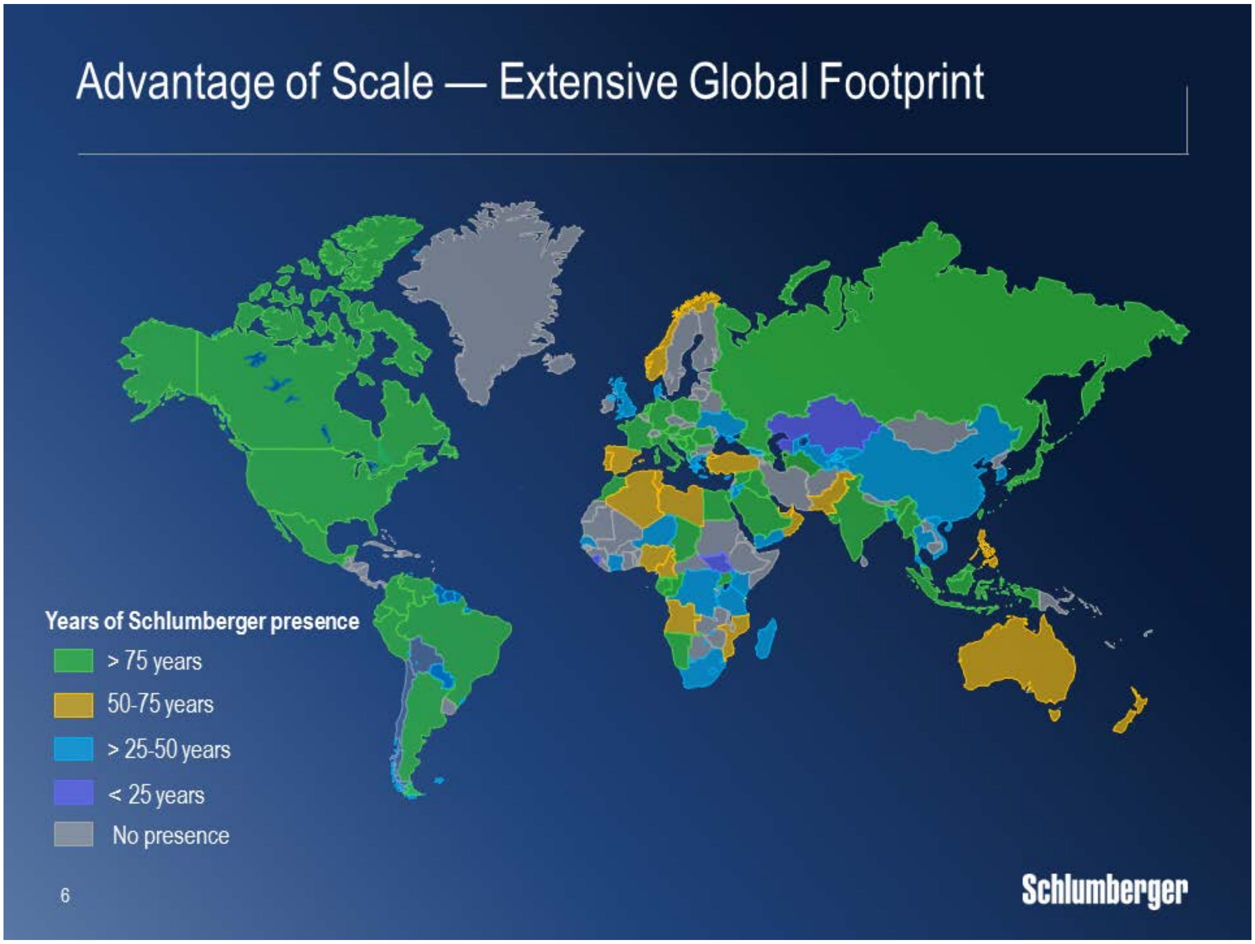
Based on detailed discussions around the project goals and the complementary capabilities of the two companies, a unique collaboration model based on a joint and collocated project team from Det norske and Schlumberger was established.

Here, both companies contributed people and expertise as part of a common development organization with minimal overlap or duplication thereby facilitating highly efficient staffing and a ground-breaking approach to teamwork between operator and service company.

By further aligning the joint development organization toward a common set of objectives and success criteria, the team worked in close cooperation to establish the most effective technical solutions and field execution programs, which were further supported by a remote onshore operations center.

The success of this novel, collaborative approach is evident from the drilling performance where the joint project team delivered eight of fastest-drilled wells and five of the fastest-completed wells in Norway since 2010 according to the Rushmore database.

This well construction performance also allowed the team to deliver twice as many wells as planned within the given timeframe, and further ensured that the project remained on schedule to start production as planned before the end of 2016.



The second part of our unmatched scale advantage is our geographical footprint, where we are present in 85 countries today, ready to serve any customer almost anywhere in the world through our state-of-the-art operating infrastructure, technical expertise, and unique understanding of the local culture and operating conditions.

Internationally, on a pro-forma basis with Cameron, we are larger than our three closest competitors combined in terms of revenue and operating income.

We also have a very well balanced business portfolio between the various geographies and between the major resource bases of unconventional land, conventional land, offshore, and deepwater, which puts us in the leading position to benefit from almost all growth opportunities around the world as the industry now begins to recover.

Given the need for industry change in terms of more collaboration and new business models, we are now starting to see signs of customers, both traditional as well as new entrants, seeking new engagement models to unlock additional activity or new field developments.

By being omnipresent, and, more importantly having been a close and consistent partner in most places for the past 90 years, we have deep industry relationships and unprecedented regional credibility that make us a natural and preferred partner to explore these new ideas and translate them into new business relationships.

Over the past 12 to 18 months, we have kicked off new business discussions in all parts of the world with some of them already translated into new contracts and field activity. Many more are still under negotiation and should lead to new contracts and activity in the coming quarters and years.

The common threads in all of these new business opportunities are our longstanding customer and industry relationships and our unmatched global footprint that spans every corner of the world.

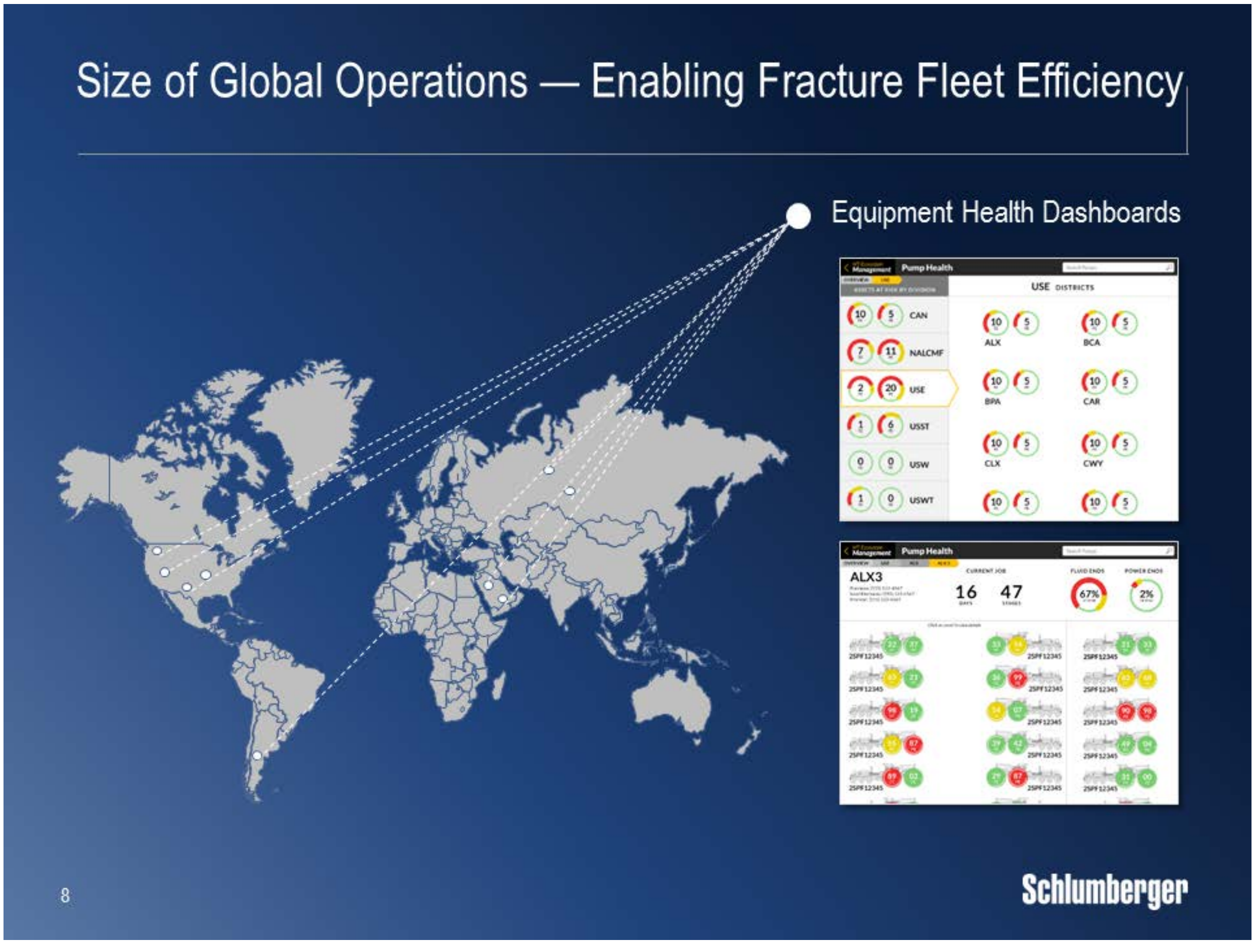
The third part of our scale advantage is linked to the sheer size of our global operations where our 100,000 employees handle around one million wellsite operating hours, hundreds-of-thousands of back-office-transactions, tens-of-thousands of assets and shipments and thousands of customers and suppliers, on a monthly basis.

Based on this massive operating volume, even a small improvement in efficiency-and-quality can have a material impact on both our own cost structure and indirectly the costs we represent for our customers.

The pursuit of this performance upside represents the motivation behind our internal transformation program where we continue to make very good progress. One way this program looks-to-further-leverage the size of our operations is to make better use of the enormous amount of data we capture-and-store from our daily operations.

However, due to the fragmentation of our legacy-IT-systems and the complexity of mining a myriad of discrete databases, we have historically not made significant use of this vast resource base.

Over the last four years, we have completely rebuilt the IT capabilities and landscape in the company. We have also established a new technology center in Silicon Valley, which is helping us rapidly move up the learning curve on big data technologies. These new capabilities and technologies allow us to organize the vast amounts of data and utilize modern data analytics techniques to optimize and automate our business processes.



One example of these applications is how we now are centrally managing the deployment and movement of our hydraulic fracturing fleets, and as part of this, how we are utilizing the latest advances in prognostic health management for optimizing the maintenance of our pumps.

Through a range of sensors on the pumps coupled with advanced data analytics we are able to predict the onset of major component failures from our remote monitoring center in Houston well in advance of them happening.

This allows us to remove the pump from the operation and do the required maintenance before it fails, which dramatically reduces maintenance costs as well as back-up equipment requirements on location.

As an example, this one application alone generated a saving of $4 million for one of our North America hydraulic fracturing fleets over the past six months, and it represents only a small subset of what this data analytics capability can generate across all functions and product lines in the future.

Through these three unprecedented dimensions of scale, it is evident that Schlumberger has a clear, built-in performance upside going forward, which is why we are confident we can deliver incremental margins north of 65% as the industry recovers and we again start to see topline growth.

Still, in order to fully leverage this scale advantage and translate it into further business outperformance, we remain fully focused and committed to our internal transformation program. This program has already been in development for over three years and is reaching a stage of maturity where we are industrializing and accelerating the pace of change.

While many other companies announce that they are transforming and proclaim success a few months later, we recognize that fundamental change on this scale takes many years to achieve with significant investment and unrelenting management stamina.

That is why we have established a proprietary Schlumberger Transformation Method. Through this method, we are innovating, developing, and deploying major change in our Internal operating process and organization.

This is analogous to how we use the Schlumberger Product Development Method to innovate, develop, and deploy new technology. In both cases our goal is to create value for our customers and for our shareholders.

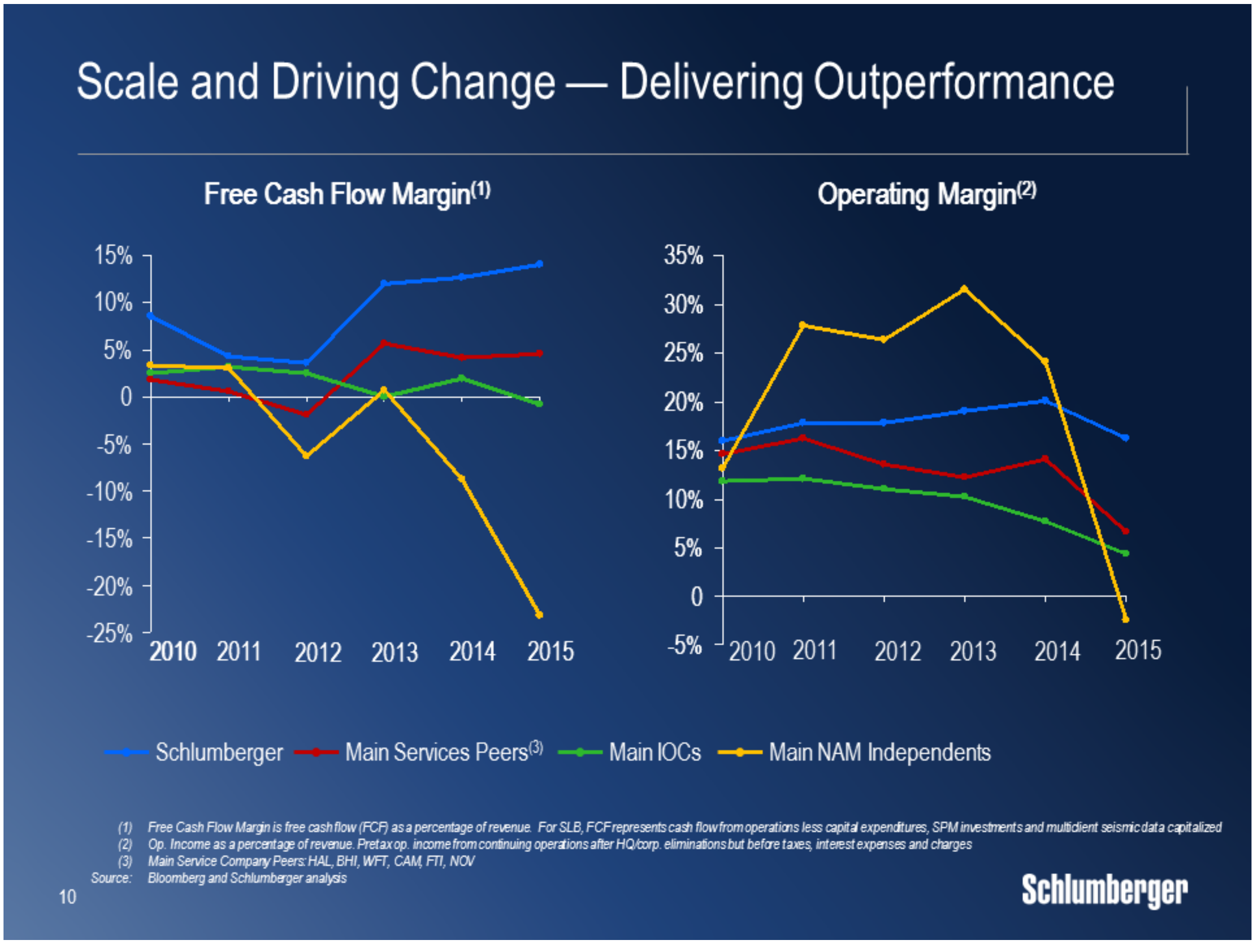
We have established a central Program Management Office and developed a full range of supporting tools to allow managers at all levels to drive change and track progress of their transformation projects. And, over 400 full-time implementation leads are currently in place across the globe to support deployment and sustaining of change.

Knowing very well that around 70% of major corporate transformations fail due to poor change management, we have developed our own change leadership framework covering the mechanical process as well as the human side of change around communication, motivation, and engagement.

However, the starting point for driving change in any large organization is to have a very strong and effective chain of command, all the way from top to bottom. In this respect, we have a fantastic starting point with arguably the best and most effective line management community in the industry where company directions are diligently implemented with minimal delay or attenuation.

But given the magnitude of changes we are making, and the fact that we are looking to reach out to every employee, we have formally trained all of our senior line managers and over 8,000 additional employees, creating a network of 10,000 change agents across our company.

It is this level of investment and commitment that makes us confident our transformation will continue to deliver incremental and tangible performance improvement, quarter by quarter, for many years to come.



Our ability to leverage the combined effect of scale and change management, supported by our company-wide transformation program has already had a visible impact on our corporate financial results with further upside to be realized in the coming years.

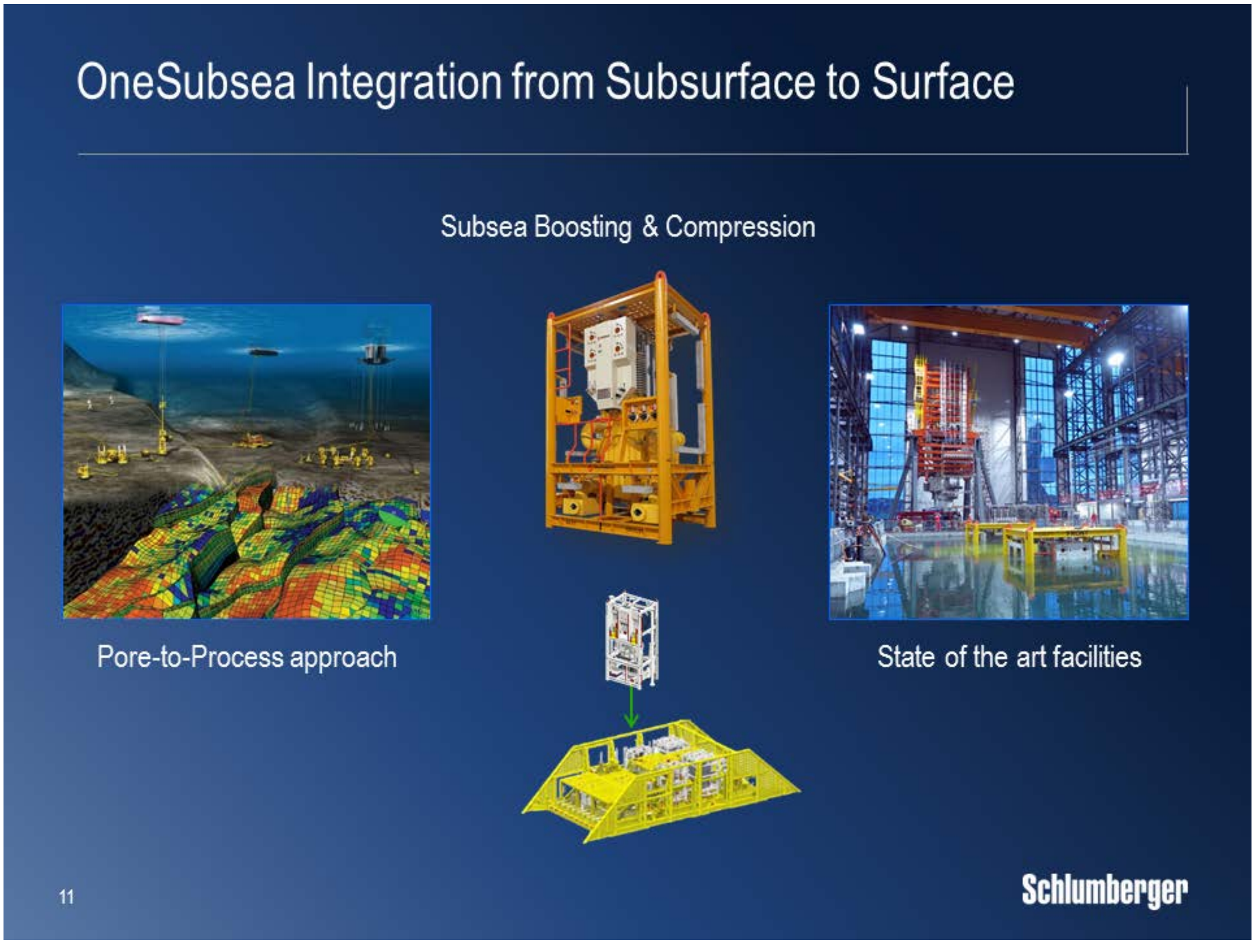
This can be seen by our industry-leading operating margins, where we are one of very few companies in the industry still turning a profit, and where by building further on the same cost and quality principles we are aiming to deliver incremental margins above 65% when we again start seeing consistent topline growth.

We also continue to generate solid free cash flow, even after actively re-investing in our business in the areas of field capex, production management contracts, and multiclient seismic surveys.

Our strong cash flow and balance sheet also allow us to be active in the area of M&A, where in addition to the large Cameron acquisition we continue to buy smaller niche-technology companies at the rate of several per quarter.

In addition to this, we are steadily returning cash to our shareholders through dividends and stock buy-backs, all without having to increase our net debt.

And, going forward, we are very comfortable with delivering on the cash conversion target of 75% that we laid out in our investor conference in 2014.



In addition to our focus on leveraging scale and driving change in terms of how we operate as a company, we are also thinking new in several other industry dimensions.

One example of this is the way we are integrating the subsurface, well, and subsea infrastructure in our OneSubsea product line, which three years after its formation, is now really starting to gain market traction.

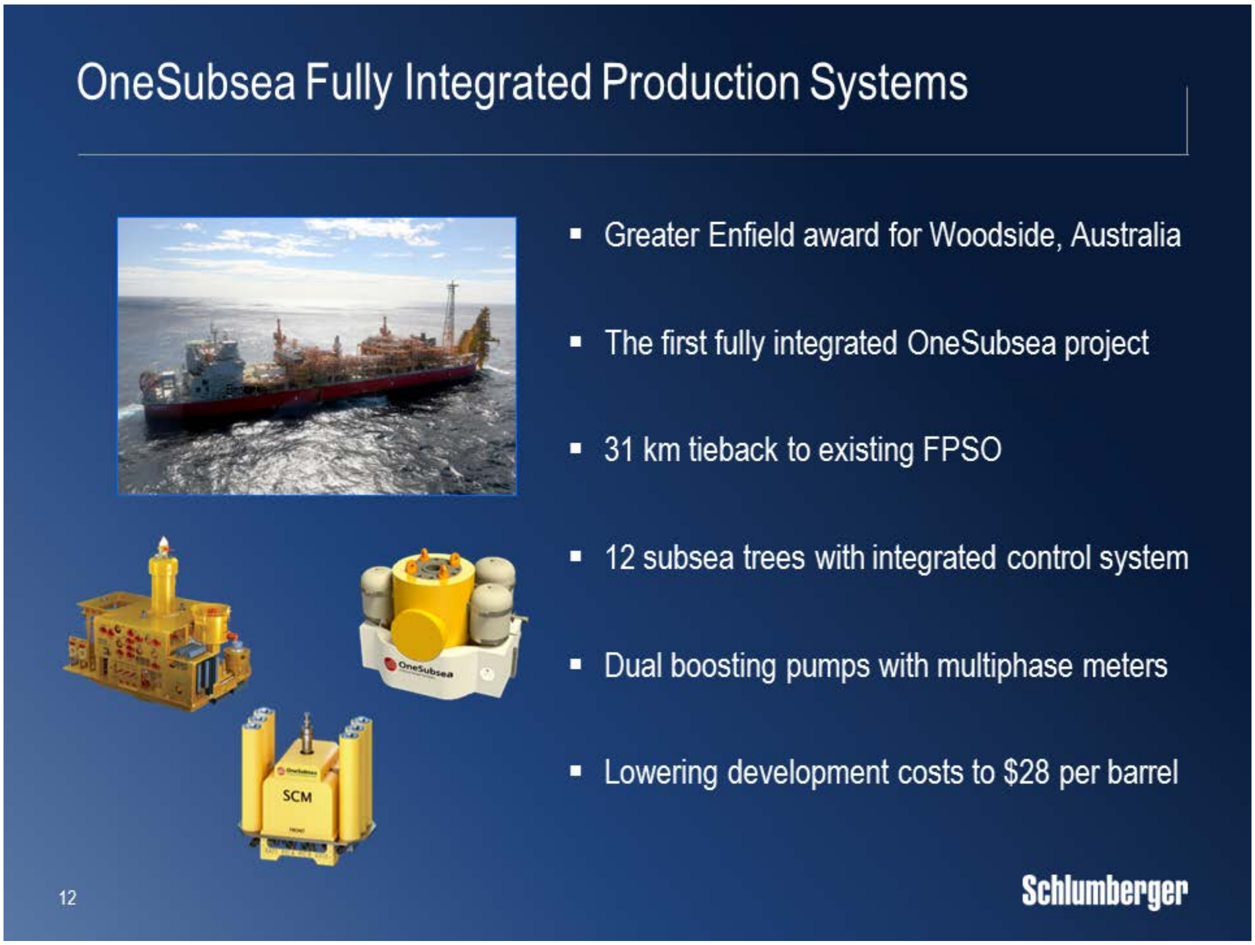
The OneSubsea integrated offering will deliver a step change in production, recovery, and cost-per-barrel for shallow and deepwater developments, which will be critical for our customers to move new projects forward in the coming years.

One way to improve the returns and cash flow from offshore developments will be to take a more phased and modular approach, as opposed to moving directly to monolithic-full-scale-developments. In addition, focusing on developments closer to existing infrastructure will also reduce investment levels and shorten development time.

This approach will mean longer tiebacks, which will require multiphase subsea boosting and a very comprehensive understanding of fluid flow from the reservoir, up the well, and through extensive subsea infrastructure all the way to surface, which are all core capabilities of OneSubsea.

In terms of multiphase subsea boosting, OneSubsea is the clear market leader, and, as the only provider has delivered 30 systems over the past two decades involving more than 80 pumps with more major projects underway.

A key factor in the design and choice of a subsea boosting system is the reliability that it offers. OneSubsea systems have demonstrated mean times between failures in excess of 10 years, and have a modular design that allows easy retrieval and change-out of pump modules using light service vessels.



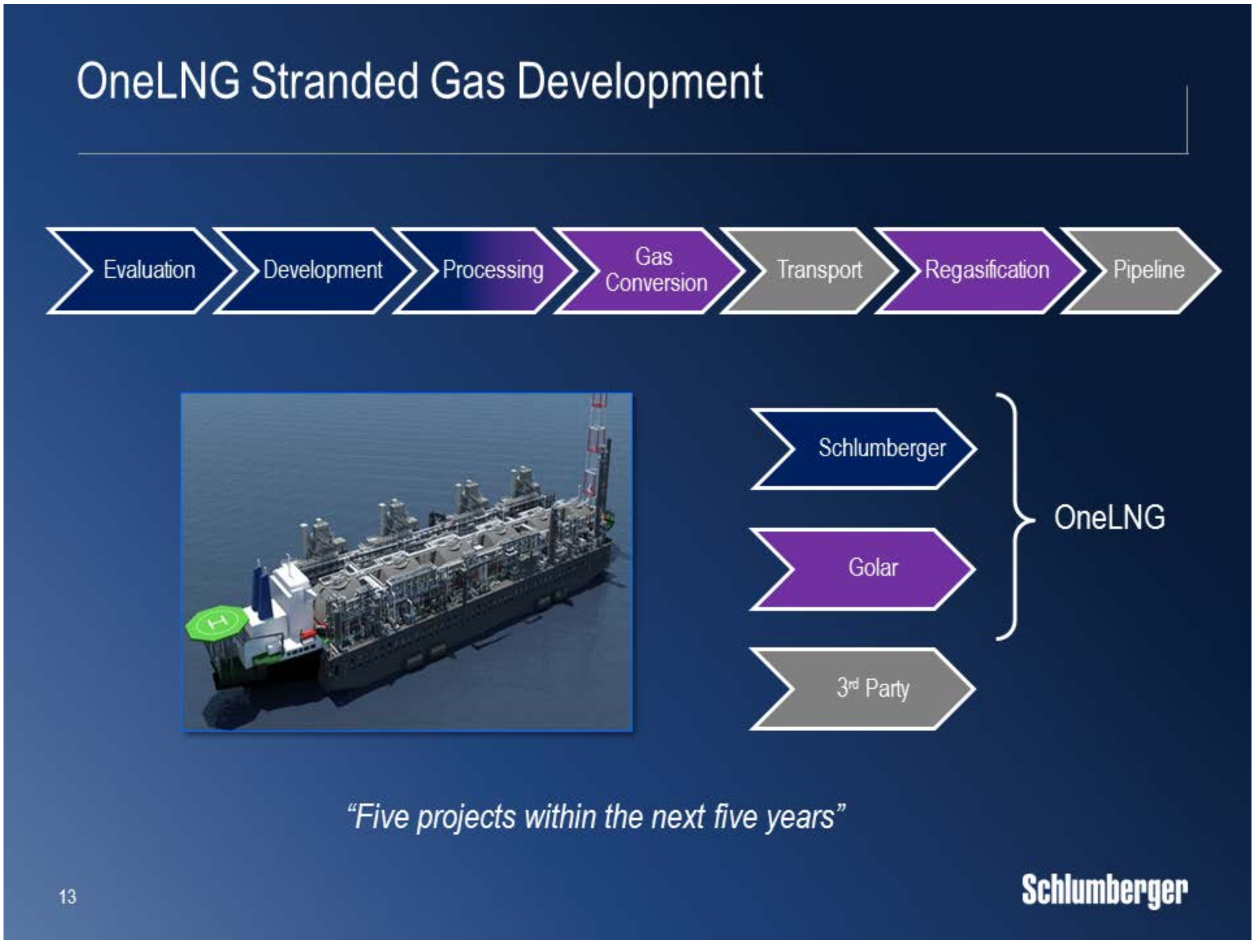
One recent OneSubsea success is the award of the integrated EPC contract for the Greater Enfield development project in Australia, where the engagement started in 2014 with the signature of a subsea frame agreement with Woodside. This led to an integrated FEED study that incorporated subsurface engineering, production assurance, subsea engineering, and hardware development.

This new system will be the industry's first truly integrated award, incorporating subsea production and multiphase boosting equipment all under one control system.

The long tie-back of 31 km to existing production infrastructure will connect to 69 million barrels of stranded reserves of viscous crude that require subsea boosting to produce and the highly optimized design will save more than 40% in cost compared to a conventional approach.

The combination of OneSubsea technology and integration together with the opportunity to leverage existing production infrastructure has led Woodside to estimate development costs as low as $28 per barrel.

This proves that by applying innovative technology and total system integration, deepwater production costs can be brought down considerably, and it further demonstrates the leadership position OneSubsea has now established in the industry.



Another example of our willingness to think in a new and innovative way is our OneLNG Joint Venture with Golar, where we have created a unique company that provides a cost effective solution for stranded gas by combining the upstream and midstream capabilities of the two parent companies.

Stranded gas reserves are characterized by being too small or too remote for conventional development due to infrastructure, transportation, or financial barriers.

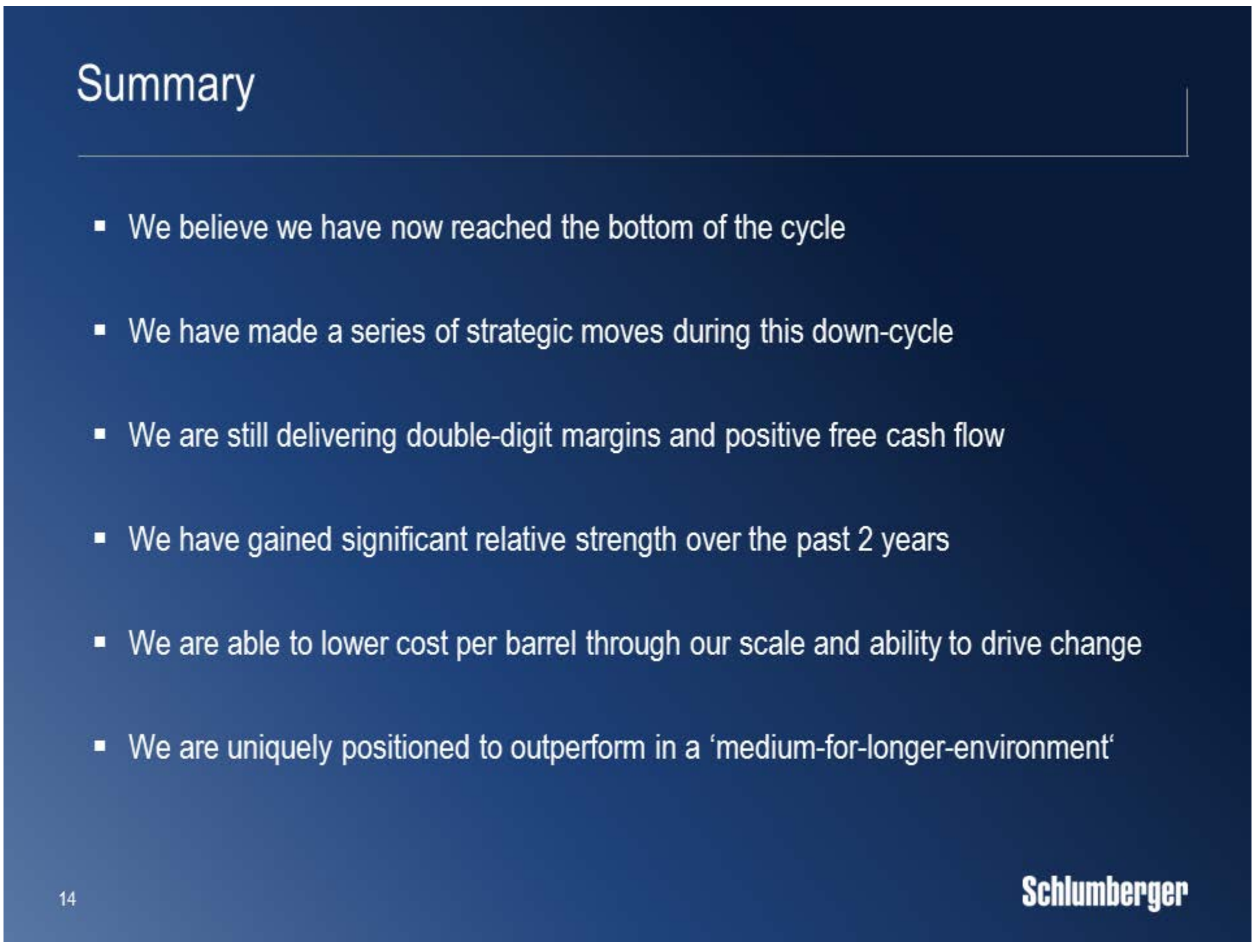
Upward of 40% of the worldwide proven gas reserves can be classified as stranded, either in smaller remote reservoirs or as associated gas which is commonly flared off during liquids production.

Conventional LNG projects can generally not meet the economic hurdles to develop stranded gas However, innovations in mobile floating LNG production facilities can significantly lower the capital investment and operating costs needed to bring these reserves to the market in an economical way.

Over the past year, we have worked closely with Golar LNG to understand and assess their FLNG technology and we are convinced that their offering combined with our reservoir, well, and production system knowledge represents a compelling combination to address the stranded gas market globally.

As a result, in July, we formed the OneLNG joint venture with Golar to rapidly develop low cost gas reserves. This new and completely integrated approach will reduce risk, reduce costs, and accelerate the time to monetize stranded gas reserves, thereby transforming the economic viability of many stranded gas projects.

We are currently evaluating a number of project opportunities for the new joint venture, and we are confident that we will be able to secure five projects within the next five years.



Ladies and gentlemen, after seven quarters of steep activity decline and strong pricing pressure throughout our global operations we believe we have now reached the bottom of this cycle in terms of E&P investment and oilfield activity.

Faced with a 50% drop in quarterly revenue over this period, we have proactively adjusted our cost base and carefully navigated the commercial landscape to deliver double-digit operating margins and positive free cash flow at the trough of the cycle.

In addition to protecting our financial strength, we have been opportunistic in terms of strategically strengthening the company through an active M&A program, multiclient seismic surveys in new exploration plays, and increased investment in Schlumberger Production Management projects. All of these will open up new revenue streams for the company going forward.

As the industry players now look forward to the recovery, it is important to realize that we will all be facing a new norm with oil prices likely confined in a medium-for-longer environment, which will maintain significant financial pressure on an industry that is already in a fragile state.

In this new world, only the companies that can deliver consistent profitability and free-cash-flow will survive over time, and this can only be done by contributing towards lowering cost-per-barrel through significant improvements in quality, efficiency, technology-system innovation, and workflow integration.

Finally, as I have described today, Schlumberger is uniquely positioned to excel and outperform in this new industry landscape due to two fundamental strengths; our unprecedented scale and our unmatched ability to drive change throughout our company, which, in combination, clearly set us apart and make us a very exciting investment proposition.

Thank you.