SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

Date of Report (date of earliest event reported): July 23, 2004

SCHLUMBERGER N.V. (SCHLUMBERGER LIMITED)
(Exact name of registrant as specified in its charter)

Netherlands Antilles	**1-4601**	**52-0684746**
(State or other jurisdiction of incorporation)	**(Commission File Number)**	**(IRS Employer Identification No.)**

153 East 53rd Street, 57th Floor **New York, New York**	**10022-4624**
42, rue Saint-Dominique **Paris, France**	**75007**
Parkstraat 83, **The Hague,** **The Netherlands**	**2514 JG**
(Addresses of principal executive offices)	**(Zip or Postal Codes)**

Registrant's telephone number in the United States, including area code: (212) 350-9400

Item 7. **FINANCIAL STATEMENTS AND EXHIBITS**

The exhibits listed below are furnished pursuant to Item 12 of this Form 8-K.

(c) Exhibits

99.1 Second Quarter 2004 Press Release dated July 23, 2004.

99.2 Question and Answer document on the July 23, 2004 Press Release.

Item 12. **RESULTS OF OPERATIONS AND FINANCIAL CONDITION**

The Second Quarter 2004 Press Release attached hereto as Exhibit 99.1, and the Question and Answer document attached hereto as Exhibit 99.2, which are incorporated in this Item 12 by reference, were posted on the Schlumberger internet web site (www.slb.com/ir) on July 23, 2004.

In addition to financial results determined in accordance with generally accepted accounting principles (GAAP) that are included in the attached Second Quarter 2004 Press Release and Question and Answer document, these documents also include the following non-GAAP financial measures (as defined under the SEC's Regulation G):

- ***Net debt***: Net debt is gross debt less cash, short-term investments and fixed income investments held to maturity. Management believes that "net debt" provides useful information regarding the level of the Company's indebtedness by reflecting cash and investments that could be used to repay debt, and that the level of net debt provides useful information as to the results of the Company's deleveraging efforts.
- ***Income from continuing operations before credits and charges, diluted earnings per share before charges and credits and effective tax rate before credits and charges***:

  The following is a reconciliation of :

  - *Income from continuing operations* per the *Consolidated Statement of Income* to Income from continuing operations before charges and credits.
  - Diluted earnings per share before charges and credits.
  - Effective tax rate before charges and credits.

($ in thousands)

	Second Quarter 2004			
	Pretax	Tax	Min Int	Net
Per Consolidated Statement of Income	$333,124	$76,363	$(2,088)	$ 254,673
Add back Charges:				
- Debt extinguishment costs	37,412	14,029	—	23,383
- US interest-rate swap settlement gain	(9,620)	(3,300)	—	(6,320)
- Loss on sale of Athos Origin shares	6,635	—	—	6,635
- Idle leased facility reserve	11,000	—	—	11,000
- Litigation reserve release	(5,000)	—	—	(5,000)
- Reorganization reserve	4,000	—	—	4,000
Continuing operations before charges	$377,551	$87,092	$(2,088)	$ 288,371
<u>Continuing operations before charges</u>				
Effective tax rate				23.1%
Diluted Earnings per Share				$ 0.48

	First Quarter 2004			
	Pretax	Tax	Min Int	Net
Per Consolidated Statement of Income	$157,136	$50,448	$(2,825)	$ 103,863
Add back Charges:				
- Debt extinguishment costs	77,482	—	—	77,482
- Loss recognized on interest-rate swaps	73,515	27,164	—	46,351
- Loss on sale of Athos Origin shares	14,330	—	—	14,330
- Restructuring program charge	19,500	5,500	—	14,000
Continuing operations before charges	$341,963	$83,112	$(2,825)	$ 256,026
<u>Continuing operations before charges</u>				
Effective tax rate				24.3%
Diluted Earnings per Share				$ 0.43

	Second Quarter 2003			
	Pretax	Tax	Min Int	Net
Per Consolidated Statement of Income	$204,627	$62,746	$ 3,835	$ 145,716
Add back Charges:				
- Debt extinguishment costs	81,473	—	—	81,473
Continuing operations before charges	$286,100	$62,746	$ 3,835	$ 227,189
<u>Continuing operations before charges</u>				
Effective tax rate				21.9%
Diluted Earnings per Share				$ 0.39

<u>Reasons for excluding charges and credits</u> - Management believes that the exclusion of these items enables it to evaluate more effectively the Company's operations period over period and to identify operating trends that could otherwise be masked by the excluded items.

- ***Interest expense before swap-related charges/credits.*** Management believes that the exclusion of the loss recognized on interest rate swaps enables it to evaluate more effectively the Company's operations period over period and to identify operating trends that could otherwise be masked by the excluded items.

The foregoing non-GAAP financial measures should be considered in addition to, not as a substitute for, or superior to, total debt, net income, cash flows or other measures of financial performance prepared in accordance with GAAP as more fully discussed in the Company's financial statements and filings with the Securities and Exchange Commission.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

SCHLUMBERGER N.V.
(SCHLUMBERGER LIMITED)

By: /s/ Frank A. Sorgie

Frank A. Sorgie
Chief Accounting Officer

Date: July 23, 2004

Exhibit 99.1

Schlumberger Announces Second Quarter 2004 Results

NEW YORK, July 23, 2004 - Schlumberger Limited (NYSE:SLB) today reported second quarter 2004 operating revenue of $2.86 billion versus $2.54 billion in the second quarter of 2003 and $2.69 billion in the first quarter of 2004. Income from continuing operations before charges was $288 million, or $0.48 per share-diluted versus $0.39 in the second quarter of last year and $0.43 in the first quarter of 2004. Including after-tax charges of $34 million, income from continuing operations was $255 million, or $0.43 per share compared to $146 million, or $0.25 per share, last year.

Discontinued operations recorded a gain of $101 million ($0.16 per share) in the quarter, resulting in net income of $356 million, or $0.59 per share-diluted. This compares to a net income of $112 million, or $0.19 per share-diluted, in the second quarter of 2003.

Oilfield Services revenue of $2.54 billion increased 8% compared to the first quarter, and 15% compared to the same quarter of last year. Pretax segment operating income of $454 million increased 7% sequentially and 15% year-on-year.

WesternGeco revenue of $292 million decreased 7% sequentially and 5% year-on-year. Pretax segment operating income of $15 million declined $19 million sequentially but improved $31 million compared to the same quarter of last year.

On July 22, the Board of Directors of Schlumberger approved a share buyback program of up to 15 million shares to be acquired in the open market before December 2006, subject to market conditions.

Schlumberger Chairman and CEO Andrew Gould commented, “Second quarter activity remained strong across a wide range of GeoMarkets and technologies. Continued growth in Russia and the Caspian, and strong performance across Asia and the Middle East, were both very encouraging. North America pricing moved up satisfactorily in the quarter. WesternGeco continued to show significant improvement in backlog for both Q technology and conventional activity. The growing realization that at current levels of demand very little spare oil production capacity exists will ensure continued strong growth over the coming quarters”.

Note:

- On April 30, Schlumberger Limited announced that its subsidiaries, Schlumberger Investments Limited and Schlumberger S.A., had sold their entire residual holdings in Atos Origin, amounting to a total of 9.7 million ordinary shares, at a price of €48.50 per share, yielding $551 million. Schlumberger does not retain any ownership interest in Atos Origin.
- On May 18, Schlumberger B.V., a wholly-owned subsidiary of Schlumberger Limited, placed 34,821,739 ordinary shares in its smart card unit Axalto Holding N.V. through an IPO on the Paris Stock Exchange. This placement represented 87% of the total ordinary shares outstanding at a sale price of €14.80 per share yielding total proceeds of $603 million. Following a partial exercise of the over-allotment option, the Schlumberger holding in Axalto currently represents 12.5% of the company's share capital and is subject to a 6-month lock-up period.
- On May 27, Schlumberger completed the acquisition of a 26% equity stake in PetroAlliance for $12 million in cash and $24 million in Schlumberger stock representing 422,000 shares.
- On July 1, the sale of the Electricity Metering business to Itron was completed for proceeds of $248 million in cash.
- During the quarter Schlumberger Technology Corporation purchased and retired $351 million nominal value of its 6.5% 2012 bonds. The charge associated with this transaction was $23 million net of tax.
- During the quarter, Schlumberger completed the sale of Business Continuity Services activity. The proceeds amounted to $233 million in cash.
- Income from discontinued operations in the quarter of $101 million included:
    - The sale of the Business Continuity Services - $48 million gain
    - The sale of Electricity Meters North America - $25 million credit including a US tax valuation allowance release of $49 million related to a tax loss carry-forward associated with the sale of SchlumbergerSema
    - An adjustment to the gain on the sale of SchlumbergerSema - $15 million credit
    - The sale of Axalto shares - $7 million loss
    - The operating results of the Axalto, Electricity Meters North America and UK Messaging System businesses - $20 million income.

Consolidated Statement of Income (Unaudited)

	(Stated in thousands except per share amounts)			
	Second Quarter		Six Months	
For Periods Ended June 30	2004	2003[6]	2004	2003[6]
Revenue				
Operating	**$2,856,315**	$2,541,138	**$5,551,248**	$4,929,979
Interest and other income[1]	**25,060**	39,088	**47,954**	68,746
	2,881,375	2,580,226	**5,599,202**	4,998,725
Expenses				
Cost of goods sold and services[2]	**2,250,532**	2,001,364	**4,389,198**	3,916,685
Research & engineering	**125,381**	106,065	**237,953**	213,046
Marketing	**12,479**	14,839	**23,344**	28,590
General	**81,266**	79,557	**159,599**	162,603
Debt extinguishment costs[3]	**37,412**	81,473	**114,894**	81,473
Interest [4]	**41,181**	92,301	**183,954**	185,164
	2,548,251	2,375,599	**5,108,942**	4,587,561
Income from continuing operations before taxes and minority interest	**333,124**	204,627	**490,260**	411,164
Taxes on income[2] [3] [4]	**76,363**	62,746	**126,811**	126,059
Income from continuing operations before minority interest	**256,761**	141,881	**363,449**	285,105
Minority interest	**(2,088)**	3,835	**(4,913)**	8,433
Income from Continuing Operations	**254,673**	145,716	**358,536**	293,538
Income (Loss) from Discontinued Operations	**100,934**	(33,594)	**217,357**	(32,254)
Net Income	**$ 355,607**	$ 112,122	**$ 575,893**	$ 261,284
Diluted Earnings (Loss) Per Share :				
Income from Continuing Operations	**$ 0.43**	$ 0.25	**$ 0.61**	$ 0.50
Income (Loss) from Discontinued Operations	**0.16**	(0.06)	**0.35**	(0.05)
Net Income	**$ 0.59**	$ 0.19	**$ 0.96**	$ 0.45
Average shares outstanding	**589,883**	582,475	**588,810**	582,342
Average shares outstanding assuming dilution	**613,380**	589,024	**612,620**	586,502
Depreciation & Amortization included in expenses[5]	**$ 323,683**	$ 356,707	**$ 652,447**	$ 681,163

1) Includes interest income of:
   - Second quarter 2004 - $11 million (2003 - $13 million).
   - Six months 2004 - $25 million (2003 - $28 million).

   The first quarter of 2004 includes a $14 million ($0.02 per share) loss on the sale of Atos Origin shares.
   The second quarter of 2004 includes a $7 million ($0.01 per share) loss on the sale of Atos Origin shares.
2) The first quarter of 2004 includes a $14 million ($0.02 per share) charge (pretax $20 million and tax benefit of $6 million) related to the restructuring program in the United States.
   The second quarter of 2004 includes an idle leased facility reserve of $11 million ($0.02 per share), a reorganization reserve of $4 million ($0.01 per share) and a litigation reserve release of $5 million ($0.01 per share).
3) The second quarter of 2003 includes $81 million related to the repurchase of Euro denominated Bonds ($0.14 per share).
   The first quarter of 2004 includes $77 million related to the repurchase of UK Pound and Euro denominated Bonds ($0.13 per share).
   The second quarter of 2004 includes $23 million ($0.04 per share) related to the repurchase of US Dollar denominated Bonds (pretax $37 million and tax benefit of $14 million).
4) The first quarter of 2004 includes $46 million ($0.08 per share) write off of the US Interest Rate Swap (pretax $73 million and tax benefit of $27 million).
   The second quarter of 2004 includes a gain of $6 million ($0.01 per share) on the settlement of the US Interest Rate Swap (pretax $10 million and tax of $3 million).
5) Including multiclient seismic data costs.
6) Restated for discontinued operations.

Condensed Balance Sheet (Unaudited)

	Jun. 30, 2004	(Stated in thousands) Dec. 31, 2003
Assets		
Current Assets		
Cash and short-term investments	**$ 2,559,101**	$ 3,108,973
Assets held for sale [(1)]	**287,691**	3,237,841
Other current assets	**4,352,992**	4,022,307
	7,199,784	10,369,121
Fixed income investments, held to maturity	**112,231**	223,300
Fixed assets	**3,542,473**	3,799,711
Multiclient seismic data	**421,800**	505,784
Goodwill	**2,703,977**	3,284,254
Other assets	**1,868,759**	1,859,155
	$ 15,849,024	$ 20,041,325
Liabilities and Stockholders' Equity		
Current Liabilities		
Accounts payable and accrued liabilities	**$ 3,250,741**	$ 3,247,545
Estimated liability for taxes on income	**943,481**	807,938
Bank loans and current portion of long-term debt	**691,528**	1,411,168
Dividend payable	**111,330**	110,511
Liabilities held for sale [(1)]	**30,532**	1,217,568
	5,027,612	6,794,730
Long-term debt	**3,747,249**	6,097,418
Post retirement benefits	**650,502**	614,850
Other liabilities	**155,387**	254,708
	9,580,750	13,761,706
Minority interest	**395,988**	398,330
Stockholders' Equity	**5,872,286**	5,881,289
	$ 15,849,024	$ 20,041,325

(1) Assets and liabilities held for sale represent:

- At June 30, 2004, the gross assets and liabilities of the Electricity Meters North America and UK Messaging System businesses.
- At December 31, 2003, the gross assets and liabilities of the SchlumbergerSema business.

Net Debt (Unaudited)

Net debt represents gross debt less cash, short-term investments and fixed income investments, held to maturity. Details of the net debt follow:

Six Months	*(Stated in millions)* 2004
Net debt, beginning of period	**$ (4,176)**
Net income from continuing operations	359
Charges	186
Depreciation and amortization	652
Increase in working capital requirements	(453)
Capital expenditures	(496)
Dividends paid	(220)
Proceeds from employee stock plans	124
Proceeds from the sale of the SchlumbergerSema business	555
Proceeds from the sale of the Telecom Billing Software business	37
Proceeds from the sale of the Infodata business	104
Proceeds from the sale of the Business Continuity business	233
Proceeds from the sale of the Axalto shares	606
Proceeds from the sale of Atos Origin shares	1,165
Debt extinguishment costs	(111)
Settlement of US interest rate swap	(70)
Investment in PetroAlliance	(12)
Other	(269)
Translation effect on net debt	19
Net debt, end of period	**$ (1,767)**

Components of Net debt	Jun. 30, 2004	*(Stated in millions)* Dec. 31, 2003
Cash and short-term investments	$ 2,559	$ 3,109
Fixed income investments, held to maturity	112	223
Bank loans and current portion of long-term debt	(691)	(1,411)
Long-term debt	(3,747)	(6,097)
	$ (1,767)	$ (4,176)

Business Review (Unaudited)

(Stated in millions)	Second Quarter			Six Months		
	2004[2]	2003[2][4]	% chg	2004[2]	2003[2][4]	% chg
Oilfield Services						
Operating Revenue	**$ 2,541**	$ 2,203	15%	**$ 4,899**	$ 4,254	15%
Pretax Operating Income[1]	**$ 454**	$ 394	15%	**$ 877**	$ 717	22%
WesternGeco						
Operating Revenue	**$ 292**	$ 306	(5)%	**$ 605**	$ 613	(1)%
Pretax Operating Income[1]	**$ 15**	$ (16)	—	**$ 48**	$ (16)	—
Other[3]						
Operating Revenue	**$ 23**	$ 29	(22)%	**$ 45**	$ 58	(23)%
Pretax Operating Income[1]	**$ (3)**	$ (2)	—	**$ (7)**	$ (5)	—

1) Pretax segment operating income represents income before taxes and minority interest, excluding interest income, interest expense and amortization of intangibles.

2) The second quarter of 2004 excludes a pretax loss of $7 million on the sale of Atos Origin shares, a pretax idle leased facility reserve of $11 million, a pretax reorganization reserve of $4 million, a pretax release of a litigation reserve of $5 million, a pretax gain of $10 million for the settlement of the US Interest Rate Swap and a pretax charge of $37 million of debt extinguishment costs.

   The first quarter of 2004 excludes a pretax charge of $73 million for the US Interest Rate Swap write off, a pretax loss of $14 on the sale of Atos Origin shares, a pretax charge of $77 million of debt extinguishment costs and a pretax charge of $20 million related to the restructuring program in the United States.

   The second quarter 2003 excludes $81 million of debt extinguishment costs.

3) Comprises the Global Tel*Link, Payphones and Essentis businesses.

4) Restated for discontinued operations.

Oilfield Services

Second quarter revenue of $2.54 billion was 8% higher sequentially and increased 15% year-on-year. Pretax operating income of $454 million increased 7% sequentially and rose 15% year-on-year.

Sequential growth was strongest in the Malaysia, Russia, Caspian, Arabian and China GeoMarkets. Demand for all technology segments increased, but particularly for Drilling & Measurements technologies including the PowerDrive* and newly introduced PowerV* rotary steerable systems. The Well Services and Well Completions & Productivity technology segments also showed strong growth for production-based technologies while Integrated Project Management activity continued to grow.

The highest year-on-year growth was experienced in the India, Caspian, Russia, Mexico and Malaysia GeoMarkets with growth reflected across all technology segments. Deepwater activity was particularly strong in India and Malaysia. Growth was strongest in Integrated Project Management from projects in the Gulf Coast, Mexico and Indonesia GeoMarkets. Among the other technology segments, Well Services, Drilling & Measurements and Well Completions & Productivity experienced the highest year-on-year growth.

North America

Revenue of $746 million increased 3% sequentially and 14% year-on-year. Pretax operating income of $120 million decreased 2% sequentially but increased 27% year-on-year.

US Land provided robust revenue growth both sequentially and year-on-year primarily due to continued favorable oil and gas industry dynamics combined with increasing demand for ABC* Analysis Behind Casing technologies, FAT* Fiber Assisted Transport stimulation services, and Drilling & Measurements PowerDrive rotary steerable systems. These technology advances are demonstrating value and are helping drive activity while enabling price increases and efficiency gains. Recent contract awards in the U.S. should increase pricing further in the coming quarters.

Despite weak E&P activity offshore, increasing demand for Integrated Project Management turnkey well construction services led to both sequential and year-on-year revenue growth in the Gulf of Mexico.

The small sequential decrease in operating income was due primarily to reduced activity in Canada following the spring break-up. Activity is expected to recover in the third quarter. This was partially offset by strong demand in the US Land GeoMarket, combined with healthy technology performance in Well Services and Drilling & Measurements that resulted in favorable operating leverage.

The quarter saw strong demand for the newly launched PowerV rotary steerable system that automatically guides vertical wells and delivers reductions in planning time and rig cost. For Anadarko, the PowerV system returned a well to vertical in 400 feet and then held inclination to less than 1 degree for 1,441 ft to TD while improving rate of penetration; this allowed Anadarko to reduce overall drilling time by 2 days.

Latin America

Revenue of $426 million increased 8% sequentially and was 21% higher year-on-year. Pretax operating income of $63 million was 2% higher sequentially and increased 8% year-on-year.

Increasing demand for Integrated Project Management in Argentina, sustained robust performance in Mexico, and growing demand for rotary steerable systems in Brazil were partially offset by lower activity in the Venezuela and Peru/Colombia/Ecuador GeoMarkets.

In Venezuela, the rig count showed a sequential increase after two quarters of decline, following the award of several contracts by PDVSA and the international oil companies. Contractual negotiations for the resumption of certain integrated project activities in West Venezuela are ongoing.

Schlumberger Information Solutions showed solid performance both sequentially and year-on-year with growth in software, infrastructure and real-time production solutions.

Europe/CIS/West Africa

Revenue of $704 million increased 9% sequentially and 7% year-on-year. Pretax operating income of $117 million increased 10% sequentially and declined 3% year-on-year.

The Russian and Caspian GeoMarkets contributed the majority of the growth with respective revenue increases of 40% and 32% sequentially and 66% and 76% year-on-year. Demand was strong across all technology segments but particularly in Well Services and Well Completions & Productivity technologies. Work began under significant new contracts for Drilling & Measurements in Kazakhstan while Integrated Project Management began new operations for OAO RITEK on ten horizontal wells in the Sredne-Khulymskoye field in Russia to enhance oil production. Major new contracts, were awarded in the Caspian by BP for a variety of well construction and well evaluation services.

West Africa continued to deliver robust performance achieving record activity levels mainly due to the development of deepwater projects combined with price increases through the introduction of new services such as the OBMI* Oil-Base MicroImager tool, DSI* Dipole Shear Sonic Imager tool, Vx* multiphase well testing technology and PowerDrive systems. Sequentially revenue fell slightly in the UK sector of the North Sea due to slow activity but was sharply lower in Nigeria due to operating difficulties in the Delta.

Increased demand for Well Services production technologies contributed to the growth across the area. These technologies included the successful launch of the PowerCLEAN* system, an integrated solution for optimizing production through wellbore fill removal using coiled tubing, with multiple new contracts in Algeria and Russia.

The strong sequential operating income improvement was mainly due to the revenue growth in Russia and the Caspian coupled with cost control initiatives in the North Sea. Year-on-year decline was due to lower activity in Nigeria and the North Sea that can only be expected to show modest improvement in the second half of the year. Currency movements against the US dollar continued to have an unfavorable impact.

Middle East & Asia

Revenue of $636 million rose 14% sequentially and 22% year-on-year. Pretax operating income of $161 million was up 16% sequentially and 20% year-on-year.

Strong activity growth in the Arabian GeoMarket was driven by rig count increases due to higher production targets leading to high Drilling & Measurements activity and by additional Well Completions & Productivity equipment sales of multiphase meters. Also contributing to the record revenue level was the start of a new fracturing campaign in Oman, strong Wireline activity in Qatar, and expanded Drilling & Measurements and Wireline work for Murphy Oil in Malaysia.

The strength of this performance was also due to a substantial increase in deepwater activity combined with strong technology deployment resulting in healthy growth in the India, Indonesia and Malaysia GeoMarkets.

Demand was robust across all technology segments and included increased customer acceptance for a range of Well Services technologies and Wireline logging services that included the successful introduction of the FSI* FlowScan Imager tool that enables customers to optimize production through identifying oil entry points in horizontal wells.

Schlumberger Information Solutions continued to grow the information management business with a new information management contract in Qatar together with continuing growth in India, Kuwait and Malaysia.

Highlights

- The PURE* Perforating for Ultimate Reservoir Exploitation technology, a method to deliver much higher flowrates in both producing and injector wells, continued rapid growth in many regions including Mexico, Venezuela, Ecuador, Thailand, Malaysia, Saudi Arabia, the North Sea, Canada, and the US. In the Gulf of Thailand, PURE technology more than doubled production in a number of cases.
- Well Completions & Productivity extended their electrical submersible pump product offering with the introduction of the Poseidon™ slim-line multiphase gas-handling device and the HOTLINE* II high-temperature electrical submersible pump. The Poseidon

device improves production in fields with up to 75% free gas, and the HOTLINE II system operates at up to 500 degrees Fahrenheit for applications in steam-assisted heavy oil production.

- PowerDrive rotary steerable systems continued to gain customer acceptance and passed the milestone of 10 million total feet drilled worldwide in June 2004, five years after their first introduction. Record drilling performances were set for CNOOC in the South China Sea as well as in Qatar, Canada and the United Arab Emirates for a number of operators.
- Wireline Analysis Behind Casing technologies for complete cased-hole formation evaluation through accurate determination of porosity, lithology, saturation and pressure continued to win industry acceptance with year-on-year growth over 50%. The ABC CHDT* Cased Hole Dynamic Tester service for formation fluid and pressure sampling saw successful introductions with excellent results in Japan, Australia, Mexico, the United Arab Emirates and Kazakhstan, and expanded its market in the US, Canada, the North Sea, Indonesia, China, Nigeria, and Malaysia.
- Based on superior performance, FAT* Fiber Assisted Transport technology continued to demonstrate strong growth. This unique fiber-based technology that utilizes mechanical suspension to deliver enhanced stimulation was recently introduced in the North American tight-gas market.
- Schlumberger Information Solutions acquired Decision Team, an Austin-based company that developed the DECIDE!* industry-leading intelligent reservoir surveillance software application. DECIDE! software captures, analyzes, conditions and predictively transforms both real-time and historical production data into actionable operational decisions to drive production optimization.

WesternGeco

Second quarter revenue of $292 million was 7% lower sequentially and 5% lower compared to the same period of last year. Pretax operating income of $15 million decreased $19 million sequentially and improved by $31 million year-on-year.

Sequentially, Multiclient sales decreased 38% from lower sales in North America following the high level of interest generated by the Central Gulf of Mexico lease sale in the previous quarter, and the higher sales that had resulted from a long-term volume agreement signed in December 2003. Land declined 7% mainly due to delayed contract starts in Mexico, and the Middle East, partially offset by the start-up of one additional crew in Sudan. These declines were partially mitigated by rapid growth in Marine revenue in Europe reflecting the start of the North Sea season. During the last two weeks of the quarter, 100% utilization of the Q*-vessels was achieved. During the quarter, WesternGeco was awarded several Q contracts including a multi-year Q-Marine project with a national oil company, a Q-Marine contract by Shell Norway and a 6-month Q-Land contract by Saudi Aramco.

Year-on-year revenue decline was mainly due to lower land activity following the shutdown of several crews active in the previous year in Alaska, Mexico and West Africa although this decline was partially offset by improvements in Asia through higher activity in Malaysia. Multiclient sales declined 4% from lower sales in North America, Asia and Europe, partially mitigated by a higher level of activity in South America. Marine revenue increased reflecting the start of the North Sea season in Europe, higher proprietary activity in the Gulf of Mexico and the start of a Q-survey in Mexico, partially offset by lower activity in the Caspian.

Year-on-year improvement in pretax operating income was mainly due to Multiclient driven by lower amortization costs, improvements in Europe following the start of the North Sea season, higher activity in the Brunei/Malaysia/Philippines GeoMarket and by significant savings related to restructuring measures taken in the previous year. Sequentially, the deterioration was mainly due to lower Multiclient sales, partially offset by improvements in Marine activity due to higher vessel utilization.

The WesternGeco backlog at the end of the second quarter reached $594 million, a 24% increase over the previous quarter, of which $560 million are committed for the next 12 months.

About Schlumberger

Schlumberger is the world's leading oilfield services company supplying technology, project management and information solutions that optimize performance for customers working in the oil and gas industry. The company employs more than 45,000 people of over 140 nationalities working in 100 countries, and comprises two business segments. Schlumberger supplies a wide range of products and services from formation evaluation through directional drilling, well cementing and stimulation, well completions and productivity to consulting, software, information management and IT infrastructure services that support core industry operational processes. WesternGeco, jointly owned with Baker Hughes, is the world's largest seismic company and provides advanced acquisition and data processing services. In 2003, Schlumberger operating revenue was $10.12 billion. For more information, visit www.slb.com

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Notes:

- Schlumberger will hold a conference call to discuss the above announcement on Friday, July 23, 2004, at 9:00 am New York City time (2:00 pm London time/3:00 pm Paris time). To access the call, which is open to the public, please contact the conference call operator at +1-888-428-4479 (toll-free) for North America, or +1-651-291-0561 from outside North America, approximately 15 minutes prior to the scheduled start time, and ask for the "Schlumberger Earnings Conference Call". A replay will be available through August 6, 2004 by dialing +1-800-475-6701 in North America, or +1-320-365-3844 outside North America, and providing the access code 737861. The conference call will also be simultaneously webcast at www.slb.com/irwebcast on a listen-only basis. Please log in 15 minutes ahead of time to test your browser and register for the call. A replay of the webcast will also be available through August 6, 2004.
- Supplemental information in the form of a question and answer document on this press release and financial schedules is available at www.slb.com/ir

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Exhibit 99.2

Second Quarter 2004 Results - Supplemental Information

A) **Oilfield Services**

Q1) What was the Oilfield Services after-tax return on sales for the quarter?

Oilfield Services after-tax return on sales in the second quarter was 13.8%. The strong margin improvements in US Land, Russia, Caspian and the Middle East and Asia were offset by margin deteriorations in Nigeria and Venezuela.

Q2) Any change in Capex guidance for 2004?

The 2004 Capex guidance is unchanged at $950 million.

Q3) Saudi Arabia security update

Schlumberger has specific plans that ensure the safety of its employees and works with security advisors in many countries around the world, including Saudi Arabia. The company is working with advisors, customers and local authorities in Saudi Arabia to continue to supply services in a safe and efficient manner.

B) **WesternGeco**

Q4) What multiclient surveys were capitalized in the second quarter?

WesternGeco did not acquire any new multiclient surveys in the second quarter of 2004 and does not expect to acquire any new surveys in 2004 unless they are significantly pre-funded. However, Schlumberger capitalized $6 million, net of pre-funding, related to processing of surveys previously acquired.

Q5) What multiclient sales were made in the quarter and what were the associated cost of sales?

Multiclient sales in the quarter were $83 million. The corresponding cost of sales was $54 million. About 56% of the surveys sold had no NBV with about 5% of the revenue coming from surveys considered impaired in September 2003.

C) Other

Q6) Which businesses were reported in the "Other" segment in the second quarter?

The only remaining businesses in the "Other" segment are Global Tel*Link, Payphones and Essentis. They had 6-month revenue in 2004 of $45 million resulting in an operating loss of $6.2 million.

These businesses are under active divestiture plans.

D) Schlumberger Limited

Q7) What was Oilfield Services and WesternGeco after-tax return on sales, before minority interest, for the quarter?

Oilfield Services and WesternGeco after-tax before minority interest return on sales for the second quarter was 12.7%.

Q8) What charges from continuing operations were taken during the quarter?

Charges and credits from continuing operations of $34 million included:

- A $23 million charge related to the repurchase of US dollar denominated bonds (pretax of $37 million and tax benefit of $14 million)
- A $11 million reserve on an idle leased facility
- A $7 million loss on the sale of Atos Origin shares
- A $4 million reorganization reserve
- A $6 million gain on the settlement of the US interest rate swap (pretax of $10 million and tax of $4 million)
- A $5 million gain on a litigation reserve release.

Q9) What are the details of the share buyback program?

The size of the share buyback program has been designed to allow robust, but disciplined, reinvestment to support a double-digit growth rate and it is not expected to lead to financial leverage above current levels. Schlumberger will execute this program subject to market conditions, such as stock price or interest rates.

Additionally, Schlumberger will continue to assess the dividend level based on earnings prospects.

Q10) What are the stock option and discounted stock purchase plan (DSPP) expenses?

The company has two stock compensation plans – stock option awards and an employee stock purchase plan. The company started to record stock option expense in the income statement beginning in the second half of 2003, on a prospective basis for grants after January 1, 2003. The effect on the entire year 2003 net income and earnings per share was $13 million ($0.02 per share). In 2004, we expect to record a cost of $28 million ($0.05 per share).

Q11) What is the gross debt structure as of June 30, 2004?

The gross debt as of June 30, 2004 was $4.4 billion consisting of $2.8 billion of fixed rate and $1.6 billion of floating rate. Details were as follows:

Type	Amount (currency)	Interest Rate
Bonds	$650 million (in $)	6.5% - 10 yrs 2012.
Convertible	$975 million (in $)	1.5% - 2023 with call/put in 2008
Convertible	$450 million (in $)	2 1/4% - 2023 with call/put in 2010
Bonds	$645 million (in € and £)	5.4% to 6% - 2008/2011
CP	$580 million	
Banks and other	$1,140 million	

Q12) How did net debt† decrease during the quarter?

After the quarterly dividend payment of $110 million, net debt of $1.77 billion at June 30, 2004, decreased $1.19 billion in the quarter mainly due to the proceeds from the divestitures.

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† (**Net debt** is gross debt less cash, short term investments as well as fixed income investments held to maturity.)

Q13) What is the net debt objective for the company?

The debt restructuring, which consisted of bonds buyback and swap cancellation, is now completed.

Due to the cyclical nature of its activities, the company believes that strong credit metrics are an integral component of its business model. The company considers that this is achieved by maintaining a net debt level of less than $2 billion.

Q14) What are the new credit ratings?

On May 28, Moody’s affirmed its A1/P-1 rating and raised its outlook to stable from negative.

On July 8, Standard & Poor’s affirmed its A+/A-1 rating and raised its outlook to stable from negative.

Q15) What was the second quarter Effective Tax Rate (ETR), and what is the ETR guidance for the second half of the year?

The second quarter ETR from continuing operations before charges was 23.1%. We expect the effective tax rate from continuing operations before charges for the year to be in the mid-twenties range or slightly lower. The ETR is particularly sensitive to the geographic business mix in WesternGeco.

Q16) What were the changes in interest income and interest expense during the quarter?

Interest income of $11 million decreased $2.8 million sequentially and $2.2 million compared to the same quarter last year. Average return of 1.7% decreased by 0.1% sequentially, and 0.8% compared to the same quarter of last year. Average investment balance of $2.6 billion was down $497 million sequentially and increased $527 million compared to the same quarter last year.

Interest expense, excluding the US interest rate swap charges/credits, of $51 million decreased $18.4 million sequentially and $41.5 million from the same quarter last year. Average borrowing rates of 3.7% decreased from 4.0% last quarter and 4.8% last year. Average debt balance of $5.3 billion decreased $1.6 billion sequentially and $2.2 billion compared to the same quarter last year.

Schlumberger expects the net interest expense to be approximately $26 million in each of the next two quarters.

Q17) What is the difference between Oilfield Services pretax income and the sum of the geographic areas?

The difference of $6.3 million in the quarter came from Oilfield Services headquarters projects and costs together with Oilfield Services consolidation eliminations.

Q18) What is the difference between Schlumberger pretax income, before charges and interest, and the pretax income of the three business segments?

The $50 million pretax difference during the quarter included items such as corporate headquarters expenses, interest on post-retirement benefits, amortization of identifiable intangibles, currency exchange losses and gains and employee stock purchase and stock option costs.

Q19) How does Schlumberger compute basic and fully diluted EPS?

Basic earnings per share are calculated by dividing net income by the weighted average number of common shares outstanding during the period. Diluted earnings per share are calculated by first adding back to net income the interest expense on the convertible bonds and then dividing this adjusted net income by the weighted average number of common shares outstanding assuming dilution, the calculation of which includes the shares from the conversion of convertible bonds and assumes that all stock options which are in the money are exercised at the beginning of the period and the proceeds used, by Schlumberger, to purchase shares at the average market price for the period.

The shares from the potential conversion of the convertible bonds amount to 19 million and the interest expense on the convertible bonds was $7.2 million in the second quarter.

Q20) What was the Schlumberger annualized ROCE† run-rate for the quarter?

Annualized ROCE reached 15.1% in the second quarter of 2004.

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† **ROCE** is computed as [Net Income from continuing operations excluding charges + Minority Interest + Interest Expense - Interest Income - Tax benefit on interest expense] divided by [Shareholders' Equity + Net Debt + Minority Interest].

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This question and answer document, the second quarter 2004 earnings release and other statements we make contain forward looking statements, which include any statements that are not historical facts, such as our expectations regarding business outlook; financial growth for Schlumberger as a whole and for each of Oilfield Services, Schlumberger Information Solutions and WesternGeco; oil and natural gas demand and production growth; operating and capital expenditures by the oil and gas industry; the business strategies of Schlumberger's customers; and future results of operations. These statements involve risks and uncertainties, including, but not limited to, the global economy; changes in exploration and production spending by Schlumberger's customers and changes in the level of oil and natural gas exploration and development; general economic and business conditions in key regions of the world; political and economic uncertainty and socio-political unrest, and other factors detailed in our most recent Form 10-K, Form 10-Q and other filings with the Securities and Exchange Commission. If one or more of these risks or uncertainties materialize (or the consequences of such a development changes), or should underlying assumptions prove incorrect, actual outcomes may vary materially from those forecasted or expected. Schlumberger disclaims any intention or obligation to update publicly or revise such statements, whether as a result of new information, future events or otherwise.