SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarter ended:	Commission file No.:
MARCH 31, 1999	1-4601

SCHLUMBERGER N.V.
(SCHLUMBERGER LIMITED)

(Exact name of registrant as specified in its charter)

NETHERLANDS ANTILLES	52-0684746
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
277 PARK AVENUE NEW YORK, NEW YORK, U.S.A.	10172
42 RUE SAINT-DOMINIQUE PARIS, FRANCE	75007
PARKSTRAAT 83 THE HAGUE, THE NETHERLANDS	2514 JG
(Addresses of principal executive offices)	(Zip Codes)

Registrant's telephone number: (212) 350-9400

Indicate by check mark whether Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months and (2) has been subject to such filing requirements for the past 90 days.

YES X NO

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at April 30, 1999
COMMON STOCK, $0.01 PAR VALUE	547,023,775

PART I. FINANCIAL INFORMATION

Item 1: Financial Statements

SCHLUMBERGER LIMITED

(Schlumberger N.V., Incorporated in the Netherlands Antilles)
and Subsidiary Companies

CONSOLIDATED STATEMENT OF INCOME (1)

(Unaudited)

(Stated in thousands except per share amounts)

	Three Months Ended March 31, 1999	1998
REVENUE:		
Operating	$2,306,462	$3,023,701
Interest and other income	167,087	35,175
	2,473,549	3,058,876
EXPENSES:		
Cost of goods sold and services	1,940,649	2,161,899
Research & engineering	135,265	143,700
Marketing	103,578	111,672
General	103,089	115,861
Interest	48,048	25,504
	2,330,629	2,558,636
Income before taxes	142,920	500,240
Taxes on income	53,753	121,913
Net Income (2)	$ 89,167	$ 378,327
Basic Earnings Per Share (2)	$ 0.16	$ 0.70
Diluted Earnings Per Share (2)	$ 0.16	$ 0.67
Average shares outstanding	546,377	542,728
Average shares outstanding assuming dilution	559,914	563,854
Dividends declared per share	$ 0.1875	$ 0.1875

(1) All prior periods have been restated to reflect the 1998 acquisition of Camco International Inc., which was accounted for as a pooling of interests.

(2) The 1999 first quarter results include an after-tax charge of $90 million ($0.16 per share) consisting of the following:

- A charge of $150 million related to Oilfield Services, including severance costs of $121 million (4400 employees, of which 1900 have already been terminated), seismic vessel lay-up costs and provisions for possible legal claims.

- - A charge of $20 million related to Resource Management Services and Test & Transactions consisting principally of severance costs at several RMS facilities.

- - A credit of $80 million from the gain on sale of financial instruments received in connection with the 1998 sale of Retail Petroleum Systems.

The pretax charge of $189 million is classified in cost of goods sold and services. The pretax credit of $103 million resulting from the gain on sale of financial instruments is classified in interest and other income.

See Notes to Consolidated Financial Statements

SCHLUMBERGER LIMITED

(Schlumberger N.V., Incorporated in the Netherlands Antilles)
and Subsidiary Companies

CONSOLIDATED BALANCE SHEET

(Unaudited)

	(Dollars in thousands)	
	Mar. 31, 1999	Dec. 31, 1998
ASSETS		
CURRENT ASSETS:		
Cash and short-term investments	$ 3,902,836	$ 3,956,694
Receivables less allowance for doubtful accounts (1999 - $95,851; 1998 - $89,556)	2,739,300	2,968,070
Inventories	1,343,204	1,333,131
Deferred taxes on income	267,903	295,974
Other current assets	225,059	251,355
	8,478,302	8,805,224
LONG-TERM INVESTMENTS, HELD TO MATURITY	862,313	855,172
FIXED ASSETS:		
Property, plant and equipment	11,737,818	11,658,743
Less accumulated depreciation	(6,968,809)	(6,964,278)
	4,769,009	4,694,465
EXCESS OF INVESTMENT OVER NET ASSETS OF COMPANIES PURCHASED less amortization	1,262,707	1,302,678
DEFERRED TAXES ON INCOME	210,382	202,630
OTHER ASSETS	210,609	217,760
	$ 15,793,322	$ 16,077,929
LIABILITIES & STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable and accrued liabilities	$ 2,536,322	$ 2,539,954
Estimated liability for taxes on income	451,535	480,123
Bank loans	567,942	708,978
Dividend payable	103,009	102,891
Long-term debt due within one year	155,170	86,722
	3,813,978	3,918,668
LONG-TERM DEBT	3,116,999	3,285,444
POSTRETIREMENT BENEFITS	438,844	432,791
OTHER LIABILITIES	310,164	321,951
	7,679,985	7,958,854
STOCKHOLDERS' EQUITY:		
Common stock	1,547,902	1,539,408
Income retained for use in the business	8,869,179	8,882,455
Treasury stock at cost	(2,208,617)	(2,221,308)
Translation adjustment	(95,127)	(81,480)
	8,113,337	8,119,075
	$ 15,793,322	$ 16,077,929

See Notes to Consolidated Financial Statements

SCHLUMBERGER LIMITED

(Schlumberger N.V., Incorporated in the Netherlands Antilles)
and Subsidiary Companies

CONSOLIDATED STATEMENT OF CASH FLOWS

(Unaudited)

	(Dollars in thousands)	
	Three Months Ended March 31,	
	1999	1998
Cash flows from operating activities:		
Net income	$ 89,167	$ 378,327
First-quarter charge	90,117	--
Adjustments to reconcile net income to cash provided by operating activities:		
Depreciation and amortization	283,708	273,018
Earnings of companies carried at equity, less dividends received (Dividends: 1999 - $455; 1998 - $671)	(2,476)	(967)
Provision for losses on accounts receivable	10,976	10,684
Other adjustments	(9)	(21)
Change in operating assets and liabilities:		
Decrease (increase) in receivables	94,468	(184,151)
Increase in inventories	(29,533)	(94,040)
Decrease in deferred taxes on income	4,529	13,190
Decrease in accounts payable and accrued liabilities	(166,399)	(61,478)
(Decrease) increase in estimated liability for taxes on income	(9,204)	39,260
Other - net	(1,443)	(23,878)
Net cash provided by operating activities	363,901	349,944
Cash flows from investing activities:		
Purchase of fixed assets	(355,109)	(330,910)
Sales/retirements of fixed assets	(12,702)	26,244
Decrease in investments	72,596	69,911
Sale of financial instruments	203,572	--
Business acquired	--	(16,528)
Decrease in other assets	2,831	3,184
Net cash used in investing activities	(88,812)	(248,099)
Cash flows from financing activities:		
Dividends paid	(102,396)	(95,224)
Proceeds from exercise of stock options	21,185	15,643
Proceeds from issuance of long-term debt	556,983	284,673
Payments of principal on long-term debt	(600,077)	(211,974)
Net decrease in short-term debt	(123,355)	(85,337)
Net cash used in financing activities	(247,660)	(92,219)
Net increase in cash	27,429	9,626
Cash, beginning of period	105,321	173,963
Cash, end of period	$ 132,750	$ 183,589

See Notes to Consolidated Financial Statements

SCHLUMBERGER LIMITED

(Schlumberger N.V., Incorporated in the Netherlands Antilles)
and Subsidiary Companies

STOCKHOLDERS' EQUITY

(Unaudited)

(Dollars in thousands)

	Common Stock Issued	Common Stock In Treasury	Retained Income	Translation Adjustment	Comprehensive Income
Balance, January 1, 1999	$ 1,539,408	$(2,221,308)	$ 8,882,455	$ (81,480)	$ -
Net Income			89,167		89,167
Translation adjustment				(13,647)	(13,647)
Dividends declared			(102,443)		
Shares sold to optionees, DSPP and fees	8,494	12,691			
Balance, March 31, 1999	$ 1,547,902	$(2,208,617)	$ 8,869,179	$ (95,127)	$ 75,520

See Notes to Consolidated Financial Statements

SCHLUMBERGER LIMITED

(Schlumberger N.V., Incorporated in the Netherlands Antilles)
and Subsidiary Companies

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

In the opinion of management, all adjustments necessary to present fairly the financial position and the results of operations have been made in the accompanying interim financial statements. The Company's significant accounting policies are summarized in its 1998 Annual Report. These policies have been consistently applied during the interim period presented in this report. The results of operations for the three-month period ended March 31, 1999 are not necessarily indicative of the results of operations that may be expected for the entire year.

EARNINGS PER SHARE

The following is a reconciliation from basic earnings per share to diluted earnings per share for the first quarter of 1999:

(Stated in thousands except per share amounts)

	Net Income	Average Shares Outstanding	Earnings per share
Basic	$ 89,167	546,377	$ 0.16
Effect of dilution:			
Options		6,963	
Warrants		6,574	
Diluted	$ 89,167	559,914	$ 0.16

CONTINGENCIES

The Company and its subsidiaries comply with government laws and regulations and responsible management practices for the protection of the environment. The Consolidated Balance Sheet includes accruals for the estimated future costs associated with certain environmental remediation activities related to the past use or disposal of hazardous materials. Substantially all such costs relate to monitoring and maintenance requirements at facilities or locations that are no longer in operation. Due to a number of uncertainties, including uncertainty of timing, future technology, regulatory changes and other factors, it is possible that the ultimate costs may exceed the amounts estimated. However, in the opinion of management, such additional costs are not expected to be material relative to consolidated liquidity, financial position or future results of operations.

In addition, the Company and its subsidiaries are party to various other legal proceedings. Although the ultimate disposition of these proceedings is not presently determinable, in the opinion of the Company, any liability that might ensue would not be material in relation to the Consolidated Financial Statements.

SEGMENT INFORMATION (1)

(Stated in millions)

First Quarter 1999	North America	Latin America	Europe/ CIS/W. Afr.	Other Eastern	Camco	Elims/ Other	Total OFS	RMS	T&T	Elims/ Other	Consolidated
Revenue	$346	$209	$474	$471	$188	$ 6	$1,694	$345	$270	$ (3)	$2,306
Operating Income	$ 7	$ 11	$ 35	$ 97	$ 17	$ (4)	$ 163	$ -	$ 6	$ (3)	$ 166
Income Tax Expense (2)	3	4	12	21	9	1	50	6	2	(7)	51
Pretax Operating Income	$ 10	$ 15	$ 47	$118	$ 26	$ (3)	$ 213	$ 6	$ 8	$(10)	$ 217
Interest Income											57
Interest Expense		$ (3)									(45)
First Quarter Charge											(86)
Pretax Income											$ 143

First Quarter 1998	North America	Latin America	Europe/ CIS/W. Afr.	Other Eastern	Camco	Elims/ Other	Total OFS	RMS	T&T	Elims/ Other(3)	Consolidated
Revenue	$591	$327	$607	$545	$217	$ 7	$2,294	$361	$310	$ 59	$3,024
Operating Income	$ 59	$ 43	$106	$129	$ 29	$(12)	$ 354	$ 8	$ 22	$(15)	$ 369
Income Tax Expense	38	13	18	34	16	3	122	7	9	(16)	122
Pretax Operating Income	$ 97	$ 56	$124	$163	$ 45	$ (9)	$ 476	$ 15	$ 31	$(31)	$ 491
Interest Income											32
Interest Expense		$ (3)									(23)
Pretax Income											$ 500

(1) All prior periods have been restated to reflect the 1998 acquisition of Camco International Inc., which was accounted for as a pooling of interests.
(2) Income tax expense excludes a net charge of $4 million related to the first quarter charge and gain on sale of financial instruments.
(3) Includes the Retail Petroleum Services business sold on October 1, 1998.

Nonoperating expenses, such as certain intersegment charges and interest expense (except as shown above), are not included in segment operating income.

BUSINESS REVIEW

(Stated in millions)

First Quarter	Oilfield Services 1999	1998	% chg	Resource Management Services 1999	1998	% chg	Test & Transactions (2) 1999	1998	% chg
Operating Revenue	$1,694	$ 2,294	(26)%	$ 345	$ 361	(4)%	$ 270	$ 310	(13)%
Pretax Operating Income (1)	$ 213	$ 476	(55)%	$ 6	$ 15	(62)%	$ 8	$ 31	(75)%

(1) Pretax operating income is before the first quarter 1999 charge.

(2) All periods exclude the Retail Petroleum Services business sold on October 1, 1998.

Item 2: Management's Discussion and Analysis of Financial Condition and Results of Operations.

First Quarter 1999 Compared to First Quarter 1998

First quarter operating revenue of $2.31 billion was 24% lower than the same period last year.

Before the first quarter charge discussed below, net income and diluted earnings per share were $179 million and $0.32, 53% and 52% lower, respectively, than the same period last year.

Oilfield Services revenue decreased 26%, while the rig count fell 35%. Revenue fell in all the geographic regions and across all Oilfield Services activities.

Resource Management Services (RMS) revenue was down 4%, mainly due to market conditions in South America.

Test & Transactions revenue was 13% lower than in the first quarter of 1998. Growth continued across all Smart Cards & Terminals activities, while Automated Test Equipment (ATE) experienced a decline in revenue of 49%, reflecting the general caution among semiconductor companies to increase capital spending. Orders grew 12% compared with the fourth quarter of 1998.

An after-tax charge of $90 million ($0.16 per share) was recorded in the quarter. This charge relates primarily to Oilfield Services severance costs, which were partially offset by a gain on the sale of financial instruments. The Oilfield Services headcount has been reduced by 7500 since last July. An additional 2500 reductions are scheduled to be completed by the end of June. When completed, this headcount reduction will represent 21% of the June 30, 1998 Oilfield Services headcount, of which nearly four percentage points relate to productivity gains resulting from the new GeoMarket organization. The charge is expected to result in pretax annual savings of $300 million.

OILFIELD SERVICES

Oilfield Services revenue declined 26% compared with the first quarter of 1998, as the rig count declined 35%. Revenue fell in all major geographic regions and across all Oilfield Services activities. Pretax operating income was down 55%. The following geographic comments exclude Camco, which is reported separately.

North America
- -------------
North American revenue of $346 million decreased 41% compared with the first quarter of 1998, and pretax operating income was down 89%. The rig count declined 41%. All areas of North America experienced weakness, except for Eastern Canada. Oil producing areas in the US land market suffered the steepest declines, while gas-producing areas have been less affected. New technologies, such as the PS PLATFORM* production suite and PowerJet* shaped charges, which improve overall production performance for clients and command a premium price, have softened the impact on profitability.

Latin America
- -------------
Latin American revenue of $209 million declined 36% from last year, and pretax operating income decreased 74%. The rig count declined 34%. All areas experienced reduced activity, although Mexico, Argentina and Venezuela declined less than other areas. Marine seismic activity throughout the region has seen the largest declines, while contract drilling revenue improved due to ongoing deepwater contracts. Revenue from data management services have increased as client interest in integrated applications and solutions continues to grow.

Europe/CIS/West Africa
- ----------------------
Revenue of $474 million fell 22% compared with the prior year. Pretax operating income decreased 62%, and the rig count fell 26%. Activity was weak in all regions, despite continued growth in directional drilling services in the North Sea.

Other Eastern Hemisphere
- ------------------------
Revenue of $471 million declined 14% from the first quarter of 1998, and pretax operating income decreased 28%. The rig count declined 14%. Activity decreased, with the exception of logging-while-drilling (LWD) services, which grew due to the highly successful VISION475* LWD service and the PowerPulse* telemetry system.

Camco
- -----
Revenue of $188 million declined 14%, and pretax operating income decreased 44% compared with the prior year.

After successfully drilling the world's longest extended-reach multilateral well at Wytch Farm in the UK, Schlumberger installed its first Camco intelligent completion in this oil field. This technology allows production to be independently controlled in both lateral wells using three Camco downhole flow-control modules. In addition, a Reda electrical submersible pump was installed to boost production.

The Venezuelan national oil company awarded the PIGAP II high-pressure gas compression contract in Eastern Venezuela to WilPro, a joint venture involving Production Operators, Inc., based on its expertise in gas compression applications in Venezuela. The venture will construct a $350 million gas compression facility to be operated under a 20-year service contract.

Contract Drilling Activity
- --------------------------
The average rig utilization rate, which includes offshore and onshore rigs, was 77.3% versus 94.8% for the first quarter of 1998. The offshore rig utilization rate was 79.2% compared with 96.3% over the same period last year. The semisubmersible utilization rate was 70.4%, while jackup utilization declined to 95.2%, both down from 100%. Onshore utilization fell to 75.5% from 97% a year ago. The drop in quarter-over-quarter utilization rates reflects the decrease in activity worldwide, with the exception of the Middle East and Latin America.

Offshore rig utilization for the industry continued to fall during the first quarter of 1999, dropping from 98.4% in the first quarter last year to 80.8% this year, largely due to reduced activity in the Gulf of Mexico and the North Sea.

At the end of the quarter, the total Schlumberger fleet of 84 rigs comprised 48 offshore rigs and 36 land rigs. The offshore fleet included 24 semisubmersibles, 16 jackups, 2 drillships, 4 tenders and 2 lake barges. The land fleet comprised 7 swamp barges and 29 land rigs. Contract drilling activity represented 15% of first quarter Oilfield Services revenue.

In its drive to make production operations more efficient, Schlumberger launched the new Prisa 110 MPSV* multipurpose service vessel on Lake Maracaibo. This newest vessel follows the introduction of the Bima MPSV unit last quarter, which started operations with a client in Indonesia. The Schlumberger MPSV technology provides a complete well intervention package and ensures rapid, efficient operations through reduced logistic requirements, costs and weather-related downtime.

Highlights

As oil companies prepare for the new millennium, facing uncertainty related to low oil prices and their impact on future profitability, Schlumberger continues to introduce and deploy cost-saving technologies designed to improve productivity and efficiency through its focused GeoMarket organization.

The new PS PLATFORM production logging service has grown by more than 100% since the fourth quarter of 1998 by providing improved production performance through rigless operations. In Norway, where the main objective of a survey was to identify the perforated zones of highest water production, information obtained from the PS PLATFORM survey contributed to reducing the water production from approximately 12,600 barrels/day to 630 barrels/day, a 95% improvement.

The PowerDrive* rotary steerable system was recently used to drill an 8.5-inch-diameter lateral section on an extended-reach well at Wytch Farm in the UK. The resulting improved penetration rate saved the client approximately six days of rig time. The same client recently awarded Schlumberger a $24 million alliance contract in Colombia. The Schlumberger integrated services team designed a comprehensive formation evaluation services package that significantly reduced the client's operating costs while improving overall efficiency - eliminating over 200 hours of rig time.

Another example of cost-saving technology, the latest generation ClearFRAC* fracturing fluid was used during a well rehabilitation campaign in Europe. The production from the well was approximately 60% higher than production from nearby wells fractured with conventional fluids. Furthermore, the well was completed without a conventional screen by using PropNET* proppant, eliminating the need for costly workover and gravel pack operations and saving the client more than a week of rig time.

Our new customer-focused GeoMarket organization is demonstrating improved effectiveness as a result of the outstanding teamwork between Schlumberger and its clients around the world. During the quarter, Schlumberger was awarded a noteworthy alliance contract in the Burgos gas fields, following the successful completion of two integrated projects in Burgos. During the upcoming 18-month contract, Schlumberger will be responsible for drilling and completing 30 gas wells and will provide complete project management services. In another example of team effort, in West Africa, a highly complex drilling and completion operation was performed 28% ahead of schedule and 30% under budget, saving the client $1.2 million.

In March, Schlumberger launched the industry's most advanced seismic vessel, Geco Eagle. Its innovative back deck design and state-of-the-art data acquisition equipment address the industry's need for more accurately and efficiently acquired surveys. Expanded capacity allows this single vessel to pull up to 20 streamers in combination and to be deployed with 1500m-wide [4920 ft] spreads. Since its launch, the Eagle is on its way to Brazil for a 3D marine survey. In addition, Schlumberger has been awarded two 3-year land seismic contracts in the Middle East, utilizing our proprietary Olympus-FRS* field recording system. Olympus FRS technology is a fully integrated component of the Olympus land seismic recording, positioning, information management, quality control and data processing suite of services, which integrates with the SEISMOS* data processing package and GeoQuest interpretation software.

Well in advance of the millennium, Schlumberger has released new versions of its reservoir characterization, simulation and data management software applications, on schedule and fully Year 2000 ready. The GeoFrame* 3.5, the ECLIPSE* 99a and the new Finder* 8.5 software packages offer the most comprehensive integrated software platforms for the exploration and production industry. With more than 70% of the client user-base already upgraded to the GeoFrame service, the 800 new features in this release deliver immediate productivity gains.

RESOURCE MANAGEMENT SERVICES

Resource Management Services revenue slipped by 4%, compared with the first quarter of 1998, due mainly to market conditions in South America. Deregulation, consolidation and privatization in the utility markets moderated sales. Nevertheless, major contract awards in markets such as the US and parts of Europe, where deregulation has advanced furthest, demonstrated the increased interest in the integrated solutions approach to utility measurement, pioneered by Schlumberger.

Revenue rose 6% in North America, with strong demand for advanced, high-accuracy QUANTUM* Q1000 electricity meters and higher sales of water products in Mexico. Revenue from South America was 40% lower than last year, following the market uncertainty related to currency devaluation in Brazil.

In Asia, revenue was up 16% with growth in shipments of residential electricity meters to Taiwan and commercial and industrial meters to Thailand. In Europe, revenue decreased 2% as deteriorating conditions in the meter market were partly offset by growth in service businesses.

Sales in Germany and the UK were down mainly due to lower demand for gas meters. Revenue from the CIS fell due to market conditions in Ukraine and Russia.

Orders were down 26% from last year. Orders in North America decreased mainly as a consequence of a large order from Illinois Power reported in the first quarter of last year. South American orders decreased significantly due to the impact of market conditions in Brazil. Orders in Europe benefited from significant integrated solutions contracts booked in Sweden and Belgium, which compensated for softer business environments in France, Germany and the UK.

In Belgium, a major utility confirmed a significant order for the first phase of a multiresource (electricity and gas) prepayment system using the TaleXus*Vendor* system, PayGuard* smart card-based vending units and Schlumberger smart cards for 24,000 residences. Schlumberger is the only company to offer this complete revenue collection solution for electricity, gas and water distribution networks. Schlumberger RMS was also contracted to design and implement an energy data management solution for the extensive heating system in Stockholm. The system will manage the supply of hot water heating to more than 370,000 apartments, offices and retail outlets.

Production and shipments of the CENTRON* solid-state residential electricity meter began in the US. This new-generation meter provides a highly flexible platform to integrate advanced communication technologies used by utilities in the rapidly deregulating US markets. The MAPS* Mobile* walk-or-drive-by automatic meter reading system was also launched for the US market, using proprietary radio frequency technology. The new meter interface obtained Federal Communications Commission approval during the quarter. This system gives RMS the capability to provide multiresource and multivendor solutions in North America, particularly in the significant small and rural utility markets.

TEST & TRANSACTIONS

A 12% increase in Test & Transactions orders over the previous quarter emphasized the emerging positive trends in demand for Automated Test Equipment (ATE) products and services. Smart cards and related solutions revenue continued to increase strongly in these rapidly growing markets. Test & Transactions revenue declined 13% versus the first quarter of 1998.

Smart Cards & Terminals revenue rose 14% over the same period last year, mainly due to higher subscriber identity module-based (SIM) card sales, including the first deliveries of the latest high-capacity Cyberflex* Java**-based programmable SIM card, as well as increased shipments of electronic purse cards to The Netherlands. Asian smart card revenue grew as a result of the first Qianflex* smart card sales in China and improved sales of phone cards. Compared with last year, Municipalities Solutions sales rose strongly with higher shipments of the new, intelligent Stelio* parking systems.

In the increasingly important area of network security, Schlumberger was awarded a pioneering contract to use Cryptoflex* smart cards to ensure the integrity and security of a European customer's e-mail traffic. This system also allows authentication of orders and payments. Schlumberger continued to build on the success of its Cyberflex Mobil Solutions through the implementation of mobile banking services in Hong Kong and Germany.

Revenue for ATE declined 14% compared with the previous quarter and 49% versus the first quarter of 1998. Orders at ATE increased by 26% versus the previous quarter. Diagnostic system orders increased substantially as a result of the introduction of the IDS2000* probe system and engineering tool. Orders also grew strongly in telecom systems. Revenue benefited from growth in SABER* Schlumberger Advanced Business Engineering Resources activity, which provides innovative business and engineering services to help semiconductor manufacturers increase productivity.

Schlumberger began shipments of the RDX* series of test systems for characterization and high-volume production testing of RDRAM*** memory devices. The RDX2200* tester is the only RDRAM test solution that meets Rambus*** specifications for speed and accuracy across multiple sites, yielding increased throughput for customers. Providing the industry's highest level of accuracy and performance, the RDX2200 tester is expected to establish Schlumberger as a market leader in memory test. The Rambus Satellite Characterization Center in Fuchinobe, Japan was opened during the quarter. This was the first SABER technology center to be opened in 1999, and seven additional SABER sites will be opened in Silicon Valley, Taiwan, Singapore, Korea, Hong Kong, France and the UK.

NEW ACCOUNTING STANDARDS

In 1998, the Company adopted SFAS 131, "Disclosures about Segments of an Enterprise and Related Information." All prior periods have been restated. For details, see "Segment Information" on page 8 of this 10-Q report.

In June 1998, the Financial Accounting Standards Board (FASB) issued SFAS 133, "Accounting for Derivative Instruments and Hedging Activities," which requires that the Company recognize all derivative instruments as either assets or liabilities in the statement of financial position and measure those instruments at fair value. The standard is effective in the year 2000 for the Company. Occasionally, the Company uses derivative instruments such as interest rate swaps, currency swaps, forward currency contracts and foreign currency options. Forward currency contracts provide a hedge against currency fluctuations on assets/liabilities denominated in other than a functional currency. Options are usually entered into to hedge against currency variations on firm commitments generally involving the construction of long-lived assets such as seismic vessels and drilling rigs. The Company does not anticipate that the implementation of the new standard in 2000 will have a material effect on the consolidated financial position and results of operations.

YEAR 2000 READINESS DISCLOSURE

Overview

The "Year 2000 issue" is the inability of computers and computing technology to process the Year 2000 date change correctly.

The Company recognizes that the Year 2000 issue creates a significant uncertainty to its business, and has a proactive, Company-wide Year 2000 Readiness Program (the "Program").

As part of the Program, most non-ready systems are being replaced or upgraded with new systems that will provide certain competitive benefits, as well as ensure Year 2000 readiness to minimize customer and shareholder business disruptions caused by this issue. A Company-wide task force was formed in late 1997 to provide guidance to the Company's business units and monitor progress of the Program. The Company has also consulted with and engaged various third parties, including outside consultants and service providers, to assist the Company in its Program efforts.

In 1994, the Company decided to upgrade its main internal business systems with Year 2000-ready programs. The planned upgrades will be completed in 1999. Those aspects of the Company's internal business systems that are not scheduled to be covered by this upgrade effort are being separately addressed through an upgrade of existing legacy systems to Year 2000-ready status. These upgrades also will be completed in 1999.

Due to the Company's centralized engineering/manufacturing profile, more than 80% of Year 2000 efforts affecting products and services have been concentrated in our major engineering and manufacturing sites. The Year 2000 readiness of the Company's key products and services is over 90% complete with the remaining products and services expected to be Year 2000 ready by July 1999. A Year 2000 Quality Assurance Program is in place to maintain strong project discipline and to monitor and report Program issues and progress to management.

The Company's field operating units are expected to be Year 2000 ready in September 1999. This schedule shift (3 months) resulted from the downturn of activity in the oilfield sector, and is not expected to adversely affect the Company's Year 2000 readiness. Additionally, a quality assurance project is in place to assist the field operating units with Year 2000 readiness on key business applications, products and services not covered by the engineering/manufacturing efforts.

Program

The Program uses a business risk assessment and prioritization approach, and is intended to produce Year 2000-ready products/services and to minimize disruptions in business operations. The Program is divided into three major readiness categories: Assets, Information Technology (IT) and Commercial. Within each category, there are two Program stages.

Stage I: Assessment and Preparation-this stage focuses on up-front planning, data gathering and correction planning. This includes raising Year 2000 awareness; carrying out a detailed business unit asset inventory; assessing the scope of the Year 2000 problem; determining appropriate corrections, testing/validation, acceptance and deployment approaches; and preparing project plans and budgets.

Stage II: Repairs, Testing and Deployment-this stage focuses on "fixing" Year 2000 problems (and testing these fixes), followed by user-acceptance, redeployment and operational validation of the fixed (i.e., repaired, replaced, etc.) systems.

Assets. This category consists of (1) products and services the Company either sells or uses to provide services to our customers, and (2) hardware and software associated with embedded computer chips that are used in the operation of our products and facilities. Program progress under this category is on schedule. The activities related to Year 2000 readiness of assets are over 90% complete with the remainder expected to be Year 2000 ready in August 1999.

Information Technology. This category deals with traditional IT infrastructure, such as business applications, computer hardware/ software, IT networks and communication equipment. The implementation of the MFG/PRO**** system is complete. Implementation of the SAP***** system will be completed in the US and Canada by October 1999. The Company intends to repair associated legacy systems outside the US and Canada. This plan uses independent contractors, legacy system vendors and Company employees to rewrite and test certain software modules. This program is on schedule and expected to conclude by August 1999. The activities associated with other systems in this IT category (computer hardware/software, IT networks and communications equipment) also are on schedule. Stage I activities have been completed and Stage II activities are expected to be concluded in July 1999.

Commercial. This category deals with the Company's efforts to avoid being adversely affected by Year 2000 issues from external entities (suppliers, financial institutions, service providers, etc.) not affiliated with the Company. Stage I of the Program includes a process for mitigating the Year 2000 issues associated with key suppliers. The Company is continuing to communicate with its key suppliers, business partners and customers seeking their assurances that they will be Year 2000 ready. Based on assessment of these responses the Company is developing contingency plans for those areas that pose significant risk from the Year 2000 issue; however, the Company could potentially experience disruptions to some aspects of its operations from non-compliant systems utilized by unrelated third-party entities. Work in this category is on schedule. The business units have completed their Stage I activities and are implementing their Stage II efforts which are expected to be completed in August 1999.

Contingency Planning

The Company is reviewing the activities associated with each category and is determining those activities at risk of not being completed in time to prevent a Year 2000 disruption. Appropriate contingency plans are being developed for each of the "at risk" activities to provide an alternative means of functioning that minimizes the effect of the potential Year 2000 disruption, both internally and on the Company's customers. These contingency-planning activities are underway and are expected to be completed in September 1999.

Costs

Year 2000 Program funding requirements have been incorporated into the Company's capital and operating plans and are not expected to have an adverse material impact on the Company's financial condition, results of operations or liquidity. The Company estimates the cost of the Program to be around $60 million (approximately $48 million spent to date), with a breakdown of costs estimated at 30% for employee resources (approximately 120 man-years), 27% for IT-related upgrades and repair and 43% for non-IT embedded chip technology. It should be noted that these costs do not include the normal upgrading of business systems, products and applications already defined by our business plans.

Risks

Dates and schedules for the Company's Year 2000 Program are based on management's best estimates, which involve numerous assumptions, including, but not limited to, the results from Stage I assessments; the actual Stage II fixes; the continued availability of certain resources; third parties' Year 2000 status and plans; and other factors. There can be no guarantee that these estimates will be achieved, or that there will not be delays in, or increased costs associated with, implementation of the Year 2000 Program. Specific factors that might cause differences between present estimates and actual results include, but are not limited to, the availability and cost of skilled personnel, consultants, and independent contractors; the ability to locate and correct all relevant computer code; timely and effective action by third parties and suppliers; broad failures of customers' systems, or customer concerns for such possible failures, leading to customer decisions preventing the Company from providing services/products (which the Company otherwise would be capable of providing); and the failure, domestically and internationally, of third parties' systems. Because of the general uncertainty inherent in the Year 2000 issues (partially attributable to the interconnection of global businesses), the Company cannot confidently predict its ability to resolve appropriately all Year 2000 issues that may affect its operations and business or expose it to third-party liability. The failure to correct a Year 2000 problem could result in an interruption in, or a failure of, certain normal business activities or operations. Such failures could materially and adversely affect the Company's operations, liquidity and financial condition. Because of the uncertainties described above, the Company presently is unable to determine whether the consequences of such Year 2000 failures will have a material impact on the Company's results of operations, liquidity or financial condition.

EURO DISCLOSURES

On January 1, 1999, the euro became the official single currency of the European Economic and Monetary Union. As of this date, the conversion rates of the national currencies of the eleven member states adopting the euro were fixed irrevocably. The national currencies will initially remain in circulation as nondecimal subunits of the euro and will be replaced by euro bills and coins by July 2002. During the transition period between January 1999 and January 2002, public and private parties may pay for goods and services using either the euro or the national currency on a "no compulsion, no prohibition" basis.

A Euro Readiness Program has been established throughout Schlumberger to ensure that all business segments meet the euro requirements. To this effect, a Euro Steering Committee has been established and, to maintain focus on the Schlumberger euro implementation program, project teams have been set up throughout the Company. Euro implementation plans cover both phases of the euro implementation. Initially these plans will ensure that, progressively through 1999, all business units of Schlumberger will be able to transact in the euro. Thereafter, ensuring that during the transitional period all corporate, financial, commercial, employment and other documentation that refer to the participating currencies are converted to the euro in accordance with the regulatory requirements.

During the transition period conversion rates can no longer be computed directly from one participating currency to another. Instead, a triangulation algorithm will be applied, which requires that national currency amounts be converted first to the euro according to the fixed conversion rates before being converted into the second national currency. This requires specific conversion modules to be included in business information systems. Furthermore, such programs will be required to provide the additional functionality needed to convert all participating currency-denominated financial data to the euro. A review of all financial information systems has commenced and their functionality for processing euro transactions is being tested.

Schlumberger recognizes that the euro will affect its various businesses differently. Oilfield Services operates in an essentially US dollar-denominated environment in which the introduction of the euro is expected to have limited consequences. Test & Transactions will be affected in terms of the ability of products, such as smart cards and terminals, to process euro transactions. Resource Management Systems, which has now set up a pan-European manufacturing structure covering all European Union markets, expects to participate in the general growth generated by the euro. The increased price transparency created by the euro accompanied with deregulation and increased competition among our customers, the utilities, should also contribute to providing new Solutions opportunities in these businesses. The full assessment of the effects the euro will have on each business segment is incomplete and, hence, the Company cannot as yet make a final conclusion on the anticipated business impact the introduction of the single currency will have.

Based upon results to date, the Company believes that the implementation of the euro can be performed according to the time frame defined by the European Union. The Company does not expect the total cost of addressing this issue to be material to financial condition, results of operations and liquidity. This cost estimate does not include the normal upgrading of business and financial systems that would be euro ready.

FORWARD-LOOKING STATEMENTS

The Company cautions that, except for the historical information and discussions contained herein, statements in this 10-Q report and elsewhere may constitute forward-looking statements. These include statements as to expectations, beliefs and future financial performance, such as statements regarding business prospects in the key industries in which the Company operates and growth opportunities for the Company in those industries. These statements involve a number of risks, uncertainties, assumptions and other factors that could cause actual results to differ materially from those in the forward-looking statements. Such factors include: the extent and duration of the recovery in oil prices, continuing customer commitment to certain key oilfield projects, growth for demand for RDRAM memory devices and mixed signal devices produced by the Company's test equipment customers, general economic and business conditions in key regions of the world, and changes in business strategy or development plans relating to the Company's targeted growth opportunities.

*   Mark of Schlumberger
**   Java is a registered trademark of Sun Microsystems, Inc.
***   Rambus and RDRAM are registered trademarks of Rambus, Inc.
****   MFG/PRO is a registered trademark of QAD
***** SAP is a registered trademark of SAP AG

PART II. OTHER INFORMATION

Item 4: Submission of Matters to a Vote of Security Holders

a) The Annual General Meeting of Stockholders of the Registrant ("the Meeting") was held on April 14, 1999.

b) At the Meeting, the number of Directors was fixed at 12 and the following-named 12 individuals were elected to comprise the entire Board of Directors of the Registrant, each to hold office until the next Annual General Meeting of Stockholders and until a director's successor is elected and qualified or until a director's death, resignation or removal. All of the nominees were directors who were previously elected by the stockholders.

Don E. Ackerman
D. Euan Baird
John Deutch
Victor E. Grijalva
Denys Henderson
Andre Levy-Lang
William T. McCormick, Jr.
Didier Primat
Nicolas Seydoux
Linda Gillespie Stuntz
Sven Ullring
Yoshihiko Wakumoto

c) The Meeting also voted (i) to approve the Company's Consolidated Balance Sheet as at December 31, 1998, its Consolidated Statement of Income for the year ended December 31, 1998, and the declaration of dividends reflected in the Company's 1998 Annual Report to Stockholders; and (ii) to approve the appointment of PricewaterhouseCoopers LLP as independent public accountants to audit the accounts of the Company for the year 1999.

The votes cast for the election of directors, for the approval of financial statements and dividends and for the approval of the appointment of PricewaterhouseCoopers LLP were as follows:

	For	Withheld
Don E. Ackerman	454,088,751	7,604,490
D. Euan Baird	454,192,190	7,501,051
John Deutch	454,147,006	7,546,235
Victor E. Grijalva	454,159,592	7,533,649
Denys Henderson	454,198,112	7,495,129
Andre Levy-Lang	454,157,681	7,535,560
William T. McCormick, Jr.	454,227,162	7,466,079
Didier Primat	454,188,309	7,504,932
Nicolas Seydoux	453,929,114	7,764,127
Linda Gillespie Stuntz	454,175,283	7,517,958
Sven Ullring	454,230,099	7,463,142
Yoshihiko Wakumoto	454,104,557	7,588,684

	For	Against	Abstain
Financials:	458,482,079	555,750	2,655,412
PricewaterhouseCoopers:	459,393,743	497,728	1,801,770

Item 6: Exhibits and Reports on Form 8-K

(a) Exhibits: Exhibit 10(a) Employment Agreement between Schlumberger Limited and Arthur Lindenauer, effective January 1, 1999

Exhibit 10(b) Employment Agreement between Schlumberger Limited and David S. Browning, effective January 1, 1999

(b) Reports on Form 8-K: None

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 thereunto duly authorized and in his capacity as principal financial officer.

Schlumberger Limited
(Registrant)

/s/ Jack Liu

Date: May 14, 1999

Jack Liu
Executive Vice President,
Chief Financial Officer and
Chief Accounting Officer

INDEX TO EXHIBITS

Exhibit No.	Description	Page
10 (a)	Employment Agreement between Schlumberger Limited and Arthur Lindenauer, effective January 1, 1999	23
10 (b)	Employment Agreement between Schlumberger Limited and David S. Browning, effective January 1, 1999	27

Exhibit 10(a)

Employment Agreement

1. This Agreement is by and between Arthur Lindenauer ("AL"), residing at 45 Gramercy Park North, New York, New York and Schlumberger Limited, a Netherlands Antilles corporation having an office at 277 Park Avenue, New York, New York ("SLB"), and is effective as of January 1, 1999 and shall continue through April 30, 2002.

2. On January 1, 1999, AL will become Chairman of Schlumberger Technology Corporation and will continue as an employee of SLB under the terms as noted herein, reporting to D.E. Baird ("DEB"), Chairman of SLB and SLB Vice Chairman Victor E. Grijalva ("VEG").

3. For the balance of 1998, there will be no change in AL's current annual cash compensation and AL will remain eligible to receive a performance incentive award early in 1999 for 1998 performance. The terms of this incentive payment, which will be applicable to 1998, were outlined in a memo to AL from DEB dated March 23, 1998 (the terms of which are included herein by reference).

4. In January, 1999, AL will be paid in cash by SLB for all unused vacation days accrued through December 31, 1998.

5. AL's employment by SLB or its successor will continue through April 30, 2002, unless otherwise terminated by mutual written agreement of the parties.

6. For the period January 1, 1999 through April 30, 2002, AL will be available to work on SLB matters approximately 50% of normal working time. Fifty percent will generally be defined as 26 work weeks (or the equivalent in days) per calendar year. Any work requested by SLB in excess of such 26 work weeks will be subject to the availability of AL and compensation will be mutually agreed between AL and SLB.

7. A work schedule will be established between AL and DEB and VEG or their respective successors, with deference to their specific needs in terms of assignments and scheduling. Reasonable notice (outside of the established work schedule) will be provided AL so that he may schedule his outside activities in an efficient fashion. AL may engage in consulting services and/or accept Board Directorships and similar activities outside Schlumberger. AL must give written notification to Schlumberger before engaging in any such activity or service. AL may not engage in any such activity or service for any entity which competes with any Schlumberger business activity unless he obtains prior written approval from SLB.

8. AL's compensation for the period from January 1, 1999 through April 30, 2002 shall be paid monthly at the annual rate of $375,000, unless otherwise mutually agreed in writing by the parties. Payment will be made regardless of whether AL works approximately 26 work weeks per year on SLB matters, so long as AL is available to work the required time. AL will not participate in the SLB performance incentive program for the years 1999 through 2002, inclusive.

9. AL shall continue to participate in all SLB benefit programs on the same basis as a full-time employee for the term of this Agreement, including qualified and non-qualified plans, with the following exceptions:

   - there shall be no vacation accruals after December 31, 1998

   - retirement credits will be calculated as if AL's annual admissible compensation were $500,000;

   - there shall be no severance payment at the conclusion of AL's employment.

An office, administrative support and expense reimbursement as applicable to all other full-time employees shall be provided AL at SLB's New York office. Expense account and travel perquisites will continue to be those applicable to executive officers of SLB.

10. AL will retire at the conclusion of the term of this Agreement or any extension thereof to which the parties may agree in writing.

11. This Agreement shall be governed by the laws of the State of New York except and to the extent Federal law supersedes. This Agreement is signed at New York, NY on the date(s) noted below and is effective as of January 1, 1999.

January 12, 1999		/s/ Arthur Lindenauer
Date		
		Schlumberger Limited
January 4, 1999	By:	/s/ Pierre Bismuth
Date		Pierre Bismuth

EXHIBIT 10(b)

Employment Agreement

1. This Agreement is by and between David S. Browning ("DSB"), residing at 10 Long Close Road, Stamford, Connecticut 06902 and Schlumberger Limited, a Netherlands Antilles corporation having an office at 277 Park Avenue, New York, New York ("SLB"), and is effective as of January 1, 1999 through January 31, 2001.

2. On January 1, 1999, DSB will be named Vice President, Secretary and General Counsel, Schlumberger Technology Corporation. DSB will continue as an employee of SLB under the terms as noted herein, reporting to Arthur Lindenauer ("AL"), Chairman of Schlumberger Technology Corporation.

3. For the balance of 1998, there will be no change in DSB's current annual cash compensation and DSB will remain eligible to receive a performance incentive award early in 1999 for 1998 performance. The terms of this incentive payment, which will be applicable to 1998, were outlined in a memo to DSB from D.E. Baird dated March 23, 1998 (the terms of which are included herein by reference).

4. In January, 1999, DSB will be paid in cash by SLB for all unused vacation days accrued through 1998.

5. DSB's employment by SLB or its successor will continue through January 31, 2001, unless otherwise terminated by mutual written agreement of the parties.

6. For the period January 1, 1999 through January 31, 2001, DSB will be available to work on SLB matters approximately 50% of normal working time. Fifty percent will generally be defined as 26 work weeks (or the equivalent in days) per calendar year. Any work requested by SLB in excess of such 26 work weeks will be subject to the availability of DSB and compensation will be mutually agreed between DSB and SLB.

7. A work schedule will be established between DSB and AL or his successor, with deference to AL's specific needs in terms of assignments and scheduling. Reasonable notice (outside of the established work schedule) will be provided DSB so that he may schedule his outside activities in an efficient fashion. DSB may engage in consulting services and/or accept Board Directorships and similar activities outside Schlumberger. DSB must give written notification to Schlumberger before engaging in any such activity or services. DSB may not engage in such activity or service for any entity which competes with any Schlumberger business activity unless he obtains prior written approval from SLB.

8. DSB's compensation for the period from January 1, 1999 through January 31, 2001 shall be paid monthly at the annual rate of $255,000.00, unless otherwise mutually agreed in writing by the parties. Payment will be made regardless of whether DSB works approximately 26 work weeks per year on SLB matters, so long as DSB is available to work the required time. DSB will not participate in the SLB performance incentive program for the years 1999 through 2001, inclusive.

9. DSB shall continue to participate in all SLB benefit programs on the same basis as a full-time employee for the term of this Agreement, including qualified and non-qualified plans, with the following exceptions:

   - there shall be no vacation accruals after December 31, 1998
   - retirement credits will be calculated as if DSB's annual admissible compensation were $340,000.00
   - there shall be no severance payment at the conclusion of DSB's employment

An office, administrative support and expense reimbursement as applicable to all other full-time employees shall be provided DSB at SLB's New York office. Expense account and travel perquisites will continue to be those applicable to executive officers of SLB.

10. DSB will retire at the conclusion of the term of this Agreement or any extension thereof to which the parties may agree in writing.

11. This Agreement shall be governed by the laws of the State of New York except and to the extent Federal law supersedes. This Agreement is signed at New York, NY on the date(s) noted below and is effective as of January 1, 1999.

January 19, 1999	/s/ David S. Browning
Date	

Schlumberger Limited

January 4, 1999	By: /s/ Pierre Bismuth
Date	Pierre Bismuth

In the event that David S. Browning is not able to provide the services contemplated in this Agreement due to disability, he may cancel this agreement and retire, but any base salary remaining to be paid to him under this Agreement will be paid to him, his designated beneficiary, or estate, as the case may be.

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THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM FORM 10-Q
AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS

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MAR-31-1999
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