

SCHLUMBERGER LTD /NV/  
Form 10-Q  
April 25, 2012  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 10-Q**

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF**  
**THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended: March 31, 2012

Commission file No.: 1-4601

**SCHLUMBERGER N.V.**  
**(SCHLUMBERGER LIMITED)**

(Exact name of registrant as specified in its charter)

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<p><b>CURAÇAO</b>                  (State or other jurisdiction of                  incorporation or organization)</p> <p><b>42 RUE SAINT-DOMINIQUE</b></p> <p><b>PARIS, FRANCE</b></p> <p><b>5599 SAN FELIPE, 17<sup>th</sup> FLOOR</b></p> <p><b>HOUSTON, TEXAS, U.S.A.</b></p> <p><b>PARKSTRAAT 83</b></p> <p><b>THE HAGUE,</b></p> <p><b>THE NETHERLANDS</b>                  (Addresses of principal executive offices)</p>	<p><b>52-0684746</b>                  (I.R.S. Employer                  Identification No.)</p> <p><b>75007</b></p> <p><b>77056</b></p> <p><b>2514 JG</b>                  (Zip Codes)</p> <p><b>Registrant's telephone number: (713) 375-3400</b></p>
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Indicate by check mark whether the 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 (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES  NO

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). YES  NO

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer  Accelerated filer   
 Non-accelerated filer  Smaller reporting company   
 Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). YES  NO

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

<p><b>Class</b></p> <p>COMMON STOCK, \$0.01 PAR VALUE PER SHARE</p>	<p><b>Outstanding at March 31, 2012</b></p> <p>1,333,554,386</p>
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**SCHLUMBERGER LIMITED**

First Quarter 2012 Form 10-Q

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	<b>Three Months Ended March 31,</b>	
	<b>2012</b>	<b>2011</b>
<i>Revenue</i>		
Oilfield Services	<b>\$ 9,918</b>	\$ 8,122
Distribution	<b>693</b>	594
	<b>10,611</b>	8,716
<i>Interest &amp; other income</i>		
	<b>47</b>	31
<i>Expenses</i>		
<i>Cost of Revenue:</i>		
Oilfield Services	<b>7,816</b>	6,483
Distribution	<b>658</b>	572
Research & engineering	<b>275</b>	254
General & administrative	<b>93</b>	93
Merger & integration	<b>15</b>	34
Interest	<b>80</b>	73
<i>Income before taxes</i>		
	<b>1,721</b>	1,238
Taxes on income	<b>411</b>	295
<i>Net income</i>		
	<b>1,310</b>	943
Net income (loss) attributable to noncontrolling interests	<b>9</b>	(1)
<i>Net income attributable to Schlumberger</i>		
	<b>\$ 1,301</b>	\$ 944
<b>Basic earnings per share of Schlumberger</b>		
	<b>\$ 0.98</b>	\$ 0.69
<b>Diluted earnings per share of Schlumberger</b>		
	<b>\$ 0.97</b>	\$ 0.69
<b>Average shares outstanding:</b>		
Basic	<b>1,334</b>	1,360
Assuming dilution	<b>1,344</b>	1,375
<i>See Notes to Consolidated Financial Statements</i>		

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**SCHLUMBERGER LIMITED AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

(Stated in millions)

	<b>Three months Ended March 31,</b>	
	<b>2012</b>	<b>2011</b>
<i>Net income</i>	<b>\$ 1,310</b>	<b>\$ 943</b>
<i>Currency translation adjustments</i>		
Unrealized net change arising during the period	<b>111</b>	129
<i>Derivatives</i>		
Net derivatives gain on hedge transactions	<b>155</b>	192
Reclassification to net income of net realized gain	<b>(110)</b>	(227)
<i>Pension and other postretirement benefit plans</i>		
Actuarial loss		
Actuarial loss arising during the period	<b>(28)</b>	(11)
Amortization to net income of net actuarial loss	<b>43</b>	33
Prior service cost		
Prior service credit arising during the period		1
Amortization to net income of net prior service cost	<b>31</b>	30
Income taxes on pension and other postretirement benefit plans	<b>(10)</b>	(22)
<i>Comprehensive income</i>	<b>1,502</b>	1,068
Comprehensive income (loss) attributable to noncontrolling interests	<b>9</b>	(1)
<i>Comprehensive income attributable to Schlumberger</i>	<b>\$ 1,493</b>	<b>\$ 1,069</b>

See Notes to Consolidated Financial Statements

**Table of Contents****SCHLUMBERGER LIMITED AND SUBSIDIARIES****CONSOLIDATED BALANCE SHEET**

	Mar. 31, 2012 (Unaudited)	(Stated in millions) Dec. 31, 2011
<b>ASSETS</b>		
<i>Current Assets</i>		
Cash	\$ 1,346	\$ 1,705
Short-term investments	2,739	3,122
Receivables less allowance for doubtful accounts (2012 - \$171; 2011 - \$177)	10,401	9,500
Inventories	5,118	4,700
Deferred taxes	487	456
Other current assets	1,201	1,056
	<b>21,292</b>	<b>20,539</b>
<i>Fixed Income Investments, held to maturity</i>	281	256
<i>Investments in Affiliated Companies</i>	1,303	1,266
<i>Fixed Assets less accumulated depreciation</i>	13,314	12,993
<i>Multiclient Seismic Data</i>	454	425
<i>Goodwill</i>	14,199	14,154
<i>Intangible Assets</i>	4,805	4,882
<i>Other Assets</i>	718	686
	<b>\$ 56,366</b>	<b>\$ 55,201</b>
<b>LIABILITIES AND EQUITY</b>		
<i>Current Liabilities</i>		
Accounts payable and accrued liabilities	\$ 7,294	\$ 7,579
Liability for taxes on income	1,411	1,245
Long-term debt - current portion	1,296	1,041
Short-term borrowings	432	336
Dividends payable	369	337
	<b>10,802</b>	<b>10,538</b>
<i>Long-term Debt</i>	8,439	8,556
<i>Postretirement Benefits</i>	1,717	1,732
<i>Deferred Taxes</i>	1,749	1,731
<i>Other Liabilities</i>	1,171	1,252
	<b>23,878</b>	<b>23,809</b>
<i>Equity</i>		
Common stock	11,685	11,639
Treasury stock	(5,767)	(5,679)
Retained earnings	29,794	28,860
Accumulated other comprehensive loss	(3,365)	(3,557)
Schlumberger stockholders' equity	<b>32,347</b>	<b>31,263</b>
Noncontrolling interests	141	129
	<b>32,488</b>	<b>31,392</b>

\$	<b>56,366</b>	\$	55,201
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*See Notes to Consolidated Financial Statements*

**Table of Contents****SCHLUMBERGER LIMITED AND SUBSIDIARIES****CONSOLIDATED STATEMENT OF CASH FLOWS****(Unaudited)***(Stated in millions)*

	<b>Three Months Ended Mar. 31,</b>	
	<b>2012</b>	<b>2011</b>
Cash flows from operating activities:		
Net income	\$ 1,310	\$ 943
Adjustments to reconcile net income to cash provided by operating activities:		
Depreciation and amortization <sup>(1)</sup>	853	788
Earnings of companies carried at equity, less dividends received	(37)	(21)
Deferred income taxes	(18)	60
Stock-based compensation expense	79	67
Pension and other postretirement benefits expense	97	94
Pension and other postretirement benefits funding	(54)	(49)
Change in assets and liabilities: <sup>(2)</sup>		
Increase in receivables	(875)	(561)
Increase in inventories	(399)	(251)
Increase in other current assets	(130)	(49)
Decrease in accounts payable and accrued liabilities	(267)	(177)
Increase (decrease) in liability for taxes on income	164	(99)
Decrease in other liabilities	(16)	(41)
Other - net	25	132
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>732</b>	<b>836</b>
Cash flows from investing activities:		
Capital expenditures	(961)	(770)
Multiclient seismic data capitalized	(101)	(83)
Business acquisitions, net of cash acquired		(74)
Sale of investments, net	362	565
Other	(45)	