
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): May 18, 2004

SCHLUMBERGER N.V. (SCHLUMBERGER LIMITED)

(Exact name of registrant as specified in its charter)

Netherlands Antilles
(State or other jurisdiction
of incorporation)

1-4601
(Commission File Number)

52-0684746
(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
(Address of principal executive offices)

2514 JG
(Zip or Postal Codes)

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

Item 5. OTHER EVENTS AND REGULATION FD DISCLOSURE

On May 18, 2004, Schlumberger Limited issued a press release announcing that its wholly-owned subsidiary, Schlumberger B.V., has placed 34,821,739 ordinary shares in its smart card unit Axalto Holding N.V. The sale price is Euros 14.80 per share. From today, Axalto's ordinary shares are traded on the Paris Euronext Stock Exchange under the ticker AXAL-PA. The sale of Axalto's ordinary shares by Schlumberger B.V. is expected to close on or before May 20, 2004. A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

Item 7. FINANCIAL STATEMENTS AND EXHIBITS

(c) Exhibits

99.1 Press Release dated May 18, 2004.

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)

Date: May 18, 2004

By: /s/ Frank A. Sorgie

Frank A. Sorgie
Chief Accounting Officer

NOT FOR DISTRIBUTION IN CANADA, THE NETHERLANDS, AUSTRALIA OR JAPAN

Schlumberger Places 87% of Axalto Ordinary Shares

Initial Public Offering Yields Euros 515 Million

NEW YORK, May 18, 2004 - Schlumberger Limited (NYSE:SLB) announced today that its wholly-owned subsidiary, Schlumberger B.V., has placed 34,821,739 ordinary shares in its smart card unit Axalto Holding N.V., representing 87% of the total ordinary shares outstanding. This will increase to 40,045,000 million ordinary shares, or 100% of the shares outstanding, if the over-allotment option is exercised in full. The sale price is Euros 14.80 per share. From today the ordinary shares are traded on the Paris Euronext Stock Exchange under the ticker AXAL-PA.

Andrew Gould, Chairman and CEO of Schlumberger commented: "Schlumberger is pleased to have played a leading role in the development of smart-card technology since an initial investment in 1979. With our focus sharpening on the oilfield services business, we felt that the time was right to offer ownership of Axalto to the investment community to create opportunity for further growth. Schlumberger wishes Axalto and its employees well for the future."

Schlumberger intends to use the proceeds of this offering, net of fees and commissions, to reduce net debt.

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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. In 2003, Schlumberger operating revenue was \$11.4 billion. For more information, visit www.slb.com.

Contact

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Notes:

The French "Autorité des marchés financiers" draws the public's attention to the fact that Axalto Holding N.V. is a company incorporated in The Netherlands applying for the listing of its shares in France. The applicable regulations concerning public information, investor protection, and the company's undertakings to the regulatory authorities and the markets are described in the "document de base".

The ordinary shares have not been registered under the Securities Act of 1933 and may not be offered or sold in the United States absent registration or any applicable exemption from the registration requirements of the Securities Act.

This announcement is only intended for investment professionals, high net worth individuals, partnerships, associations or trusts and investment personnel of any of the foregoing (each within the Financial Services and Markets Act 2000 (Financial Promotion) Order 2001) and any other persons to whom it may be communicated lawfully. No other person should act or rely on it. Persons distributing this announcement must satisfy themselves that it is lawful to do so.

The ordinary shares are not and will not be offered in The Netherlands other than to persons who trade or invest in securities in the conduct of their profession or trade (which includes banks, securities intermediaries (including dealers and brokers), insurance companies, pension funds, other institutional investors and commercial enterprises which as an ancillary activity regularly invest in securities).

Stabilisation activities, if any, will be conducted in accordance with applicable laws and regulations.

The distribution of this announcement in certain countries may constitute a breach of applicable law. This announcement should not be distributed in or into Canada, The Netherlands, Australia or Japan. The information contained in this document does not constitute an offer of securities for sale in Canada, The Netherlands, Australia or Japan.

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