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COMP/M.5193 - SCHLUMBERGER / FIRST RESERVE CORPORATION / SAXON ENERGY SERVICES

SECTION 1.2

Description of the concentration

Pursuant to Article 3.1(b) of the EC Merger Regulation (“ECMR”), the proposed transaction involves Schlumberger Limited’s (“SLB’s”) and First Reserve Corporation’s (“FRC’s”) acquisition of joint control of Saxon Energy Services Inc. (“Saxon”), currently an independent entity, through Sword Canada Acquisition Corporation (“Sword”). Sword is incorporated under the laws of Canada and was being formed for the purpose of acquiring Saxon. SLB, through its wholly-owned subsidiary, Schlumberger Oilfield Holdings Limited, (“SOHL”) and FRC, through its affiliated fund, FR XI Offshore AIV, L.P. (the “FRC Fund”) will each own controlling interests in SES Holdings Limited (“SES”), an entity created for the purpose of this transaction. Through its subsidiaries, SES will own a majority of Sword’s shares. Sword will then acquire Saxon with Saxon being the surviving corporation. As a result of the proposed transaction, the FRC Fund and SOHL will have the ability to veto certain actions taken by SES’s Board, which confers upon them the ability to jointly exercise decisive influence over SES and Saxon. SOHL and the FRC Fund will therefore have “joint control” over Saxon under Article 3.1(b) of the ECMR. The total value of this transaction is approximately US\$ 592 million (approximately EUR 380 million).

SLB is an oilfield services company that operates in numerous countries around the world, supplying technology (including equipment), information solutions, various oilfield services and project management to the oil and gas industry, including integrated project management (“IPM”) services and the provision of land and mobile offshore drilling rigs for oil and gas companies. FRC is a private equity firm specialising in the energy industry. Saxon’s primary business includes the provision of land contract drilling services to SLB and other companies in the oil and gas industry. Land contract drilling is a service that provides oil and gas rigs, equipment, and personnel necessary to drill exploratory and development wells to the depth and specifications set by the operator.