

U.S. Oil Services Firm Schlumberger Says Russia Sanctions to Hit Earnings

By [The Moscow Times](#)

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Schlumberger, the world's largest oil field services company, said U.S. and EU sanctions on Russia would hurt its third-quarter earnings, becoming the first major U.S. company to say so.

The company, which drills with Russia's largest oil producer Rosneft on the island of Sakhalin, said the financial impact of the sanctions in the third quarter is estimated to be up to 3 cents on earnings per share.

Analysts on average expect the company to earn \$1.51 per share in the quarter ending September, according to Reuters data.

The company said on July 18 that there was no "real impact" on its business in Russia, two days after the U.S. imposed sanctions on Rosneft and Novatek, the country's second-largest gas producer.

The European Union and the U.S. announced further sanctions against Russia on July 29, targeting its energy, banking and defense sectors in the strongest international action yet over Moscow's support for rebels in eastern Ukraine.

Schlumberger said sanctions were restricting the engagement of people and equipment.

Schlumberger signed an agreement with Russia and Gazprom Neft, the oil-producing arm of Russian state gas company Gazprom, earlier this year to collaborate on technology for the planned Bazhenov shale development project in western Siberia.

"Schlumberger remains confident that we can support our clients in Russia without material disruption and operations are therefore being adjusted as necessary in response to the U.S. and EU measures," the company said.

BP Plc, the biggest foreign investor in Russia with a near-20 percent stake in Rosneft, has said the sanctions could hurt its business.

Schlumberger shares were marginally up at \$109.25 premarket. They closed at \$109.21 on the New York Stock Exchange on Monday.

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