



Q1 2019 Earnings

April 26, 2019

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Q1 2019 Consolidated Financial Results

\$1,940MM Revenue

\$140MM Adjusted EBITDA

(\$77MM) Net Loss

“While we had a challenging start to the year, reflecting the sharp air pocket that arose from this latest round of capital austerity following the oil price dip, **we built momentum though the quarter and grew our backlog, positioning us well for improved financial results in the second quarter.**”

For reconciliation of all non U.S. GAAP numbers to U.S. GAAP numbers, see tables on pages 13 and 14

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Q1 2019 Revenues

Wellbore Technologies

\$807MM

Completion & Production
Solutions

\$581MM

Rig Technologies

\$603MM



66%

LAND



45%

NORTH AMERICA

Wellbore Technologies

Provides critical technologies consumed in the drilling process

	1Q19	4Q18	Quarterly Variance	Prior Year Variance
Revenue	807	884	(9%)	14%
Adjusted EBITDA	117	155	(25%)	14%
Adjusted EBITDA %	14.5%	17.5%	-300 bps	Flat

The segment's short-cycle, activity-driven product offerings performed as anticipated during the quarter, but the capital equipment components, namely drill pipe, suffered the same customer-driven equipment deferrals as the other segments.

Wellbore Technologies

Provides critical technologies consumed in the drilling process

Despite breaking our revenue growth streak in drillpipe, **we achieved our fifth straight quarter with bookings in excess of \$100MM and our highest quarterly bookings since 2014.**

In the second quarter, **we expect a meaningful recovery in our drillpipe business and improved demand from the Eastern Hemisphere** to more than offset lower average drilling activity levels in the U.S.

Q2 2019 Guidance

Revenues

Improve 3 to 5%

EBITDA

Incrementals in the 30% range

Completions and Production Solutions

Provides critical technologies to complete wells and enhance their productivity

	1Q19	4Q18	Quarterly Variance	Prior Year Variance
Revenue	581	788	(26%)	(13%)
Adjusted EBITDA	28	112	(75%)	(62%)
Adjusted EBITDA %	4.8%	14.2%	-940 bps	-610 bps
Starting Backlog	894	880	2%	(16%)
Revenue out of Backlog	316	456	(31%)	(18%)
Orders	470	470	Flat	45%
Ending Backlog	1,041	894	16%	3%

*“Revenue was below expectations primarily due to greater-than-anticipated restraint by North American oilfield service companies and a steeper-than-expected decline in offshore businesses, **with new orders not booked in time to generate expected revenue.**”*

Completions and Production Solutions

Provides critical technologies to complete wells and enhance their productivity

Despite the temporarily deferred deliveries of coiled tubing units in North America during Q1, **demand remains robust, and we booked sales of 22 additional units in Q2, with notable increases coming from international markets.**

Our subsea production business remained challenged in Q1, **but orders were higher than they've been in a year, and the customer and project mix is pointing to more greenfield projects.**

Q2 2019 Guidance

Revenues

Improve roughly 15%

EBITDA

Incrementals in the upper 20% range

Rig Technologies

Designs, delivers, and supports the world's most advanced drilling solutions

	1Q19	4Q18	Quarterly Variance	Prior Year Variance
Revenue	603	804	(25%)	25%
Adjusted EBITDA	56	102	(45%)	24%
Adjusted EBITDA %	9.3%	12.7%	-340 bps	Flat
Starting Backlog	1,317	1,601	(17%)	(34%)
Revenue out of Backlog	246	403	(39%)	61%
Orders	271	119	128%	35%
Ending Backlog	1,342	1,317	2%	(29%)

“Slower-than-anticipated progress on remaining projects and a loss of customer urgency for land rig upgrades resulted in a sharper-than-anticipated decline in revenue.”

Rig Technologies

Designs, delivers, and supports the world's most advanced drilling solutions

Headlining the order book, which increased by \$152MM or 128% sequentially, was a drilling equipment package for the BP Azeri Central East (ACE) platform in the Caspian Sea.

The pace of special purpose surveys and reactivations for offshore rigs is increasing.

We expect improved aftermarket revenue and better progress on offshore projects to be partially offset by lower land capital equipment sales.

Q2 2019 Guidance

Revenues

Improve 5 to 10%

EBITDA

Incrementals in the upper 20% range

Q1 2019 Notable Achievements

Order booked for BP ACE platform in Caspian Sea

This award, for both the drilling and mud equipment packages, is the culmination of a rigorous 2-year process which involved initial project qualification and competitive Front-End Engineering Design (FEED) studies. The ACE platform will operate offshore Azerbaijan and achieve first production in 2023.



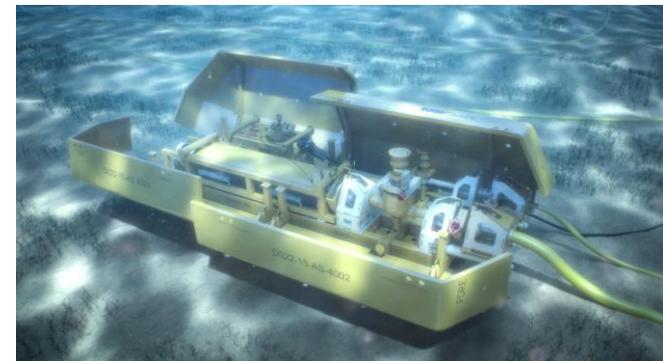
Grand Opening of composite pipe facility in Saudi Arabia

NOV opened its new Fiber Glass System manufacturing facility in Dammam, Saudi Arabia, coinciding with a \$49 million initial purchase order. The 24,000m² facility is the first local producer of spoolable and jointed GRE pipe in the Kingdom and will help customers in the region reduce costs and eliminate corrosion.



Subsea Automated Pig Launcher receives OTC Spotlight award

NOV was awarded a second OTC Spotlight award in as many years for its subsea automated pig launcher. The SAPL allows pig launching from the subsea to topside to help avoid pipeline blockages and production shutdowns.



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The oilfield's leading equipment and technology provider



35K employees¹



\$10.13B market capitalization²



620 locations



\$8.45B full year 2018 revenue



65 countries



\$910M full year 2018 adjusted EBITDA

¹ Full Time Equivalent workers

² Market Capitalization recorded as of April 25, 2019.

Appendix



Reconciliation of Adjusted EBITDA to Net Income

(Continued on next page)

	Three Months Ended		
	March 31,		December 31,
	2019	2018	2018
Operating profit (loss):			
Wellbore Technologies	\$ 19	\$ 12	\$ 41
Completion & Production Solutions	(35)	16	64
Rig Technologies	31	18	75
Eliminations and corporate costs	(63)	(47)	(93)
Total operating profit (loss)	\$ (48)	\$ (1)	\$ 87
Other items:			
Wellbore Technologies	\$ (2)	\$ (3)	\$ 24
Completion & Production Solutions	11	3	(3)
Rig Technologies	2	6	-
Corporate	-	(18)	-
Total other items	\$ 11	\$ (12)	\$ 21
Depreciation & amortization:			
Wellbore Technologies	\$ 100	\$ 94	\$ 90
Completion & Production Solutions	52	54	51
Rig Technologies	23	21	27
Corporate	2	4	3
Total depreciation & amortization	\$ 177	\$ 173	\$ 171

Reconciliation of Adjusted EBITDA to Net Income

(Continued on next page)

	Three Months Ended		
	March 31,		December 31,
	2019	2018	2018
Adjusted EBITDA:			
Wellbore Technologies	\$ 117	\$ 103	\$ 155
Completion & Production Solutions	28	73	112
Rig Technologies	56	45	102
Eliminations and corporate costs	(61)	(61)	(90)
Total adjusted EBITDA	\$ 140	\$ 160	\$ 279
Reconciliation of Adjusted EBITDA:			
GAAP net income (loss) attributable to Company	\$ (77)	\$ (68)	\$ 12
Noncontrolling interests	2	2	3
Provision (benefit) for income taxes	(10)	3	26
Interest expense	25	24	22
Interest income	(6)	(7)	(7)
Equity (income) loss in unconsolidated affiliate	-	(2)	2
Other (income) expense, net	18	47	29
Depreciation and amortization	177	173	171
Other items	11	(12)	21
Total Adjusted EBITDA	\$ 140	\$ 160	c



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