



NOV Announces Joint Venture with Saudi Aramco to Manufacture High-Specification Drilling Rigs and Advanced Drilling Equipment

May 22, 2017

HOUSTON--(BUSINESS WIRE)--May 22, 2017-- National Oilwell Varco, Inc. (NYSE: NOV) today announced entering into a memorandum of understanding with Saudi Aramco to form a joint venture in Saudi Arabia. Through its state-of the art manufacturing and fabrication facilities and NOV's market-leading drilling technologies, the joint venture will manufacture high-specification land rigs, rig and drilling equipment, and offer certain aftermarket services. Additionally, the companies announced their proposed joint venture will establish a training center to develop Saudi technicians to maintain and operate the sophisticated drilling technology produced by the venture.

The joint venture will be supported by a commitment from the recently announced Saudi Aramco Nabors Drilling Company to purchase fifty (50) onshore drilling rigs over a ten (10)-year period, and the joint venture will have the opportunity to supply, through an exclusivity agreement, Saudi Arabia, GCC and MENA region. NOV will own a 70% interest in the joint venture, while Saudi Aramco will own 30%.

"We are excited to bring together NOV's industry-leading technology, manufacturing expertise and rig products with Saudi Aramco's E&P capabilities," commented Clay Williams, NOV Chairman, President and CEO. "With the formation of this joint venture, we will be harmonizing two important goals: supporting Saudi Aramco's supply chain integration initiative and strengthening NOV's U.S.-based, world-leading drilling technology franchise. This will create jobs and economic growth in both the Kingdom and in our operations around the globe, including the United States."

The memorandum of understanding, which includes a detailed commercial term sheet, remains subject to final negotiation.

About NOV

National Oilwell Varco (NYSE: NOV) is a leading provider of technology, equipment, and services to the global oil and gas industry that supports customers' full-field drilling, completion, and production needs. Since 1862, NOV has pioneered innovations that improve the cost-effectiveness, efficiency, safety, and environmental impact of oil and gas operations. NOV powers the industry that powers the world.

Visit www.nov.com for more information.

Cautionary Statement for the Purpose of the "Safe Harbor" Provisions of the Private Securities Litigation Reform Act of 1995

Statements made in this press release that are forward-looking in nature are intended to be "forward-looking statements" within the meaning of Section 21E of the Securities Exchange Act of 1934 and may involve risks and uncertainties. These statements may differ materially from the actual future events or results. Readers are referred to documents filed by National Oilwell Varco with the Securities and Exchange Commission, including the Annual Report on Form 10-K, which identify significant risk factors which could cause actual results to differ from those contained in the forward-looking statements.

View source version on businesswire.com: <http://www.businesswire.com/news/home/20170522005262/en/>

Source: National Oilwell Varco, Inc.

National Oilwell Varco, Inc.

Investor and Media Contact:

Loren Singletary, 713-346-7807

Chief Investor & Industry Relations Officer

Loren.Singletary@nov.com

or

Customer Contact:

Kevin Chapman, 346-223-4005

Chief Sales Officer, NOV Rig Systems

Kevin.Chapman@nov.com