



National Oilwell Varco and GE Oil & Gas Cooperate to Provide Integrated Solutions for Floating Production Storage and Offloading (FPSO) Vessels

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- *NOV and GE Oil & Gas bring together complementary products and capabilities to deliver fully integrated solutions to the offshore production market*
- *New FPSO industrial platform enables repeatability and provides greater value to customers through economies of scale*
- *Enhanced designs, technology and industrialized supply chain expected to improve the life-cycle economics of offshore development*

LONDON--(BUSINESS WIRE)--Jul. 7, 2016-- National Oilwell Varco, Inc. (NYSE: NOV) and GE Oil & Gas announced today the execution of an agreement to collaborate on delivering integrated solutions for Floating Production Storage and Offloading (FPSO) vessels. The agreement brings together the complementary product offerings and engineering capabilities from two industry leaders to optimize engineering design and supply comprehensive topside solutions for FPSO projects.

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NOV engineers and manufactures advanced fluids pumping, treatment and processing systems; composite piping systems; cranes and deck machinery; and sophisticated, disconnectable turret mooring systems for FPSOs and related vessels. Additionally, NOV has successfully installed and commissioned equipment on hundreds of vessels in dozens of shipyards for the oil and gas drilling industry.

GE Oil & Gas engineers and manufactures advanced technology solutions for many of the world's most complex power generation and gas compression projects. Also, with its Subsea Production Systems, GE Oil & Gas offers a comprehensive range of solutions including subsea trees, manifold & connection systems, and power & processing technology.

GE Oil & Gas may also involve other GE businesses in the collaboration with NOV.

The new, combined platform will provide industry-leading topside systems with repeatable deliveries, scale economies and standardized interfaces, which are expected to reduce risk of construction delays and cost overruns for deepwater oil and gas customers. Additionally, the new platform will incorporate digital solutions, which will optimize performance and provide predictive analytics through the life of the vessels, enabling FPSOs to efficiently adapt to a wider array of operating parameters.

The industrialized manufacturing supply chain, combined with digital solutions and global service and aftermarket capabilities, is expected to maximize life-cycle efficiencies and drive down the cost of offshore oilfield development.

NOV and GE Oil & Gas expect to complete joint engineering efforts and commence offering topside package solutions to the oil and gas industry by early 2017. "We can materially improve deepwater production economics by industrializing the supply chain and standardizing complex interfaces between our complementary topside equipment," said Clay Williams, NOV's Chairman, President and Chief Executive Officer. "For the past year we have quietly explored this new and better way to make floating production vessels and are excited about how this collaboration will change the industry and improve the economics of deepwater production development."

"With this agreement, we are bringing together capabilities and expertise from GE Oil & Gas and NOV to better serve our customers and overcome oil and gas offshore industry challenges," said Lorenzo Simonelli, President & CEO, GE Oil & Gas. "Digital solutions will add even more value to the agreement. Digitization has become not only a competitive differentiator but increasingly, a necessity to help our customers make their businesses stronger long-term."

NOV and GE Oil & Gas remain independent suppliers of equipment, services and systems.

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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.

About National Oilwell Varco

National Oilwell Varco is a worldwide leader in the design, manufacture and sale of equipment and components used in oil and gas drilling and production operations, and the provision of oilfield services to the upstream oil and gas industry.

About GE Oil & Gas

GE Oil & Gas works on the things that matter in the oil and gas industry. In collaboration with our customers, we push the boundaries of technology to bring energy to the world. From extraction to transportation to end use, we address today's toughest challenges in order to fuel the future.

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