

A worker in a red safety suit and white hard hat is shown in profile, looking out over an industrial site at sunset. The worker is wearing a white hard hat with an MSA logo, safety glasses, and a red safety suit with reflective stripes. The background shows a large industrial structure with a yellow railing, and the sky is a warm, golden color. The overall scene is a high-angle shot of an industrial site during sunset.

# NOV Inc.

First Quarter 2025 Earnings Presentation

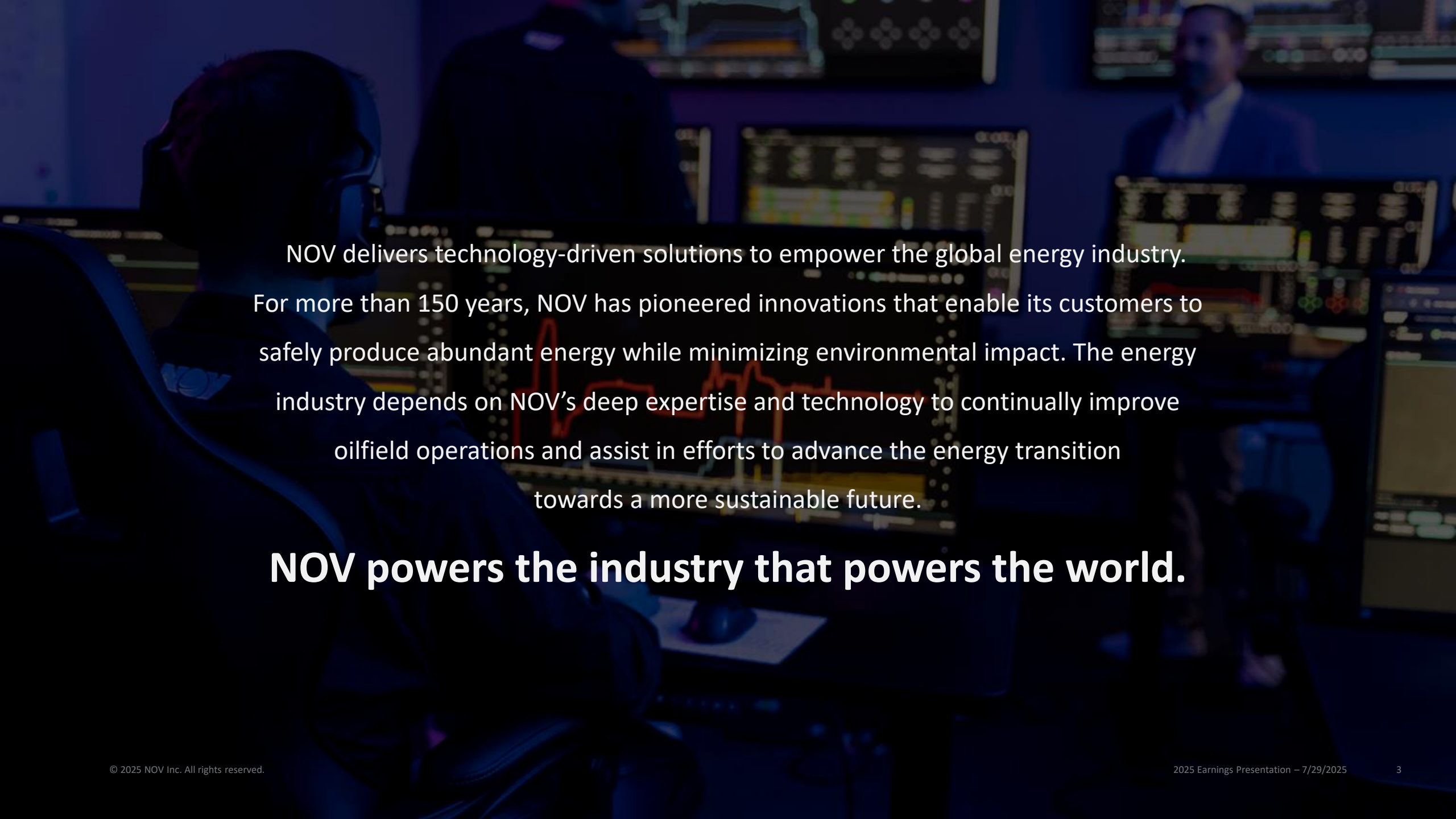
April 29, 2025



## Safe Harbor / Forward Looking Statements / Non-GAAP Financial Measures

This document contains, or has incorporated by reference, statements that are not historical facts, including estimates, projections, and statements relating to our business plans, objectives, and expected operating results that are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements often contain words such as “may,” “can,” “likely,” “believe,” “plan,” “predict,” “potential,” “will,” “intend,” “think,” “should,” “expect,” “anticipate,” “estimate,” “forecast,” “expectation,” “goal,” “outlook,” “projected,” “projections,” “target,” and other similar words, although some such statements are expressed differently. Other oral or written statements we release to the public may also contain forward-looking statements. Forward-looking statements involve risk and uncertainties and reflect our best judgment based on current information. You should be aware that our actual results could differ materially from results anticipated in such forward-looking statements due to a number of factors, including but not limited to changes in oil and gas prices, customer demand for our products, potential catastrophic events related to our operations, protection of intellectual property rights, compliance with laws, and worldwide economic activity, including matters related to recent Russian sanctions and changes in U.S. trade policies, including the imposition of tariffs and retaliatory tariffs and their related impacts on the economy. Given these uncertainties, current or prospective investors are cautioned not to place undue reliance on any such forward-looking statements. We undertake no obligation to update any such factors or forward-looking statements to reflect future events or developments. You should also consider carefully the statements under “Risk Factors,” as disclosed in our most recent Annual Report on Form 10-K, as updated in Part II, Item 1A of our most recent Quarterly Report on Form 10-Q, and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” of our most recent Annual Report on Form 10-K, which address additional factors that could cause our actual results to differ from those set forth in the forward-looking statements, as well as additional disclosures we make in our press releases and other securities filings. We also suggest that you listen to our quarterly earnings release conference calls with financial analysts.

This presentation contains certain forward-looking non-GAAP financial measures, including Adjusted EBITDA. The Company has not provided a reconciliation of projected Adjusted EBITDA. Management cannot predict with a reasonable degree of accuracy certain of the necessary components of net income, such as other income (expense), which includes fluctuations in foreign currencies. As such, a reconciliation of projected Adjusted EBITDA to projected net income is not available without unreasonable effort. The actual amount of other income (expense), provision (benefit) for income taxes, equity income (loss) in unconsolidated affiliates, depreciation and amortization, and other amounts excluded from Adjusted EBITDA could have a significant impact on net income.



NOV delivers technology-driven solutions to empower the global energy industry. For more than 150 years, NOV has pioneered innovations that enable its customers to safely produce abundant energy while minimizing environmental impact. The energy industry depends on NOV's deep expertise and technology to continually improve oilfield operations and assist in efforts to advance the energy transition towards a more sustainable future.

**NOV powers the industry that powers the world.**

# First Quarter 2025 Highlights

*14<sup>th</sup> straight quarter of year-over-year Adjusted EBITDA margin improvement*

Adjusted EBITDA Margin<sup>1</sup>  
*+80 BPS YOY*

**12.0%**

Working Capital Intensity<sup>2</sup>  
*520 basis point improvement YOY*

**30.7%**

Capital Returned  
*\$81MM of share repurchases  
\$28MM in dividends*

**\$109MM**

<sup>1</sup> Adjusted EBITDA is a non-GAAP financial measure. See appendix for a reconciliation to the nearest GAAP measure.

<sup>2</sup> Working capital intensity defined as working capital less cash, debt, and lease liabilities as a percentage of annualized revenue.

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# Significant Achievements

**Signed agreement with Petrobras to develop a flexible pipe design that combats CO<sub>2</sub> stress corrosion cracking**

The development focuses on creating stainless steel armoring for flexible pipe used in high CO<sub>2</sub> deepwater applications. Stress corrosion cracking caused by CO<sub>2</sub> is a persistent challenge in subsea production operations.



**Awarded a Triethylene Glycol (TEG) gas dehydration project for a National Oil Company in the Middle East**

The TEG gas dehydration system will support natural gas development on land in the Middle East, strengthening NOV's participation in an expanding segment of the energy industry.






**Supplied an integrated BHA that enabled a global service company to set field record in Middle East unconventional field**

NOV's performance drill bits, drilling motors, and measurement-while-drilling technology are being supplied as an integrated bottom hole assembly (BHA) to a service company operating in a Middle East unconventional field. After completing 24 wells to date, this solution has enabled a rate of penetration field record for a 12-in. hole size.



# Q1 2025 Consolidated Revenue

	Year-on-Year Revenue	Year-on-Year EBITDA	EBITDA %
<b>\$992MM</b>  Energy Products and Services	(2)% ↓	(17)% ↓	14.6%
<b>\$1.15B</b>  Energy Equipment	(3)% ↓	+39% ↑	14.4%
<b>\$2.10B</b>  NOV	(2)% ↓	+5% ↑	12.0%



55%  
Land



45%  
Offshore



39%  
North America



61%  
International

# Energy Products and Services

Provides critical technologies consumed in the drilling, completion, and production processes

**Accelerating market adoption of newer performance technologies partially offset revenue declines due to lower industry activity. Lower volumes and a less favorable sales mix reduced profitability.**

## 1Q25 Revenue Streams



<i>in millions</i>	1Q25	Sequential Variance	Year-Over-Year Variance
<b>Revenue</b>	\$992	(6)%	(2)%
<b>Adjusted EBITDA</b>	145	(16)%	(17)%
<b>Adjusted EBITDA %</b>	14.6%	-170 bps	-250 bps

# Energy Equipment

Designs, delivers, and supports advanced drilling, completion, and production solutions

**Lower demand for aftermarket parts and services was partially offset by an increase in revenues out of backlog. Improved pricing of projects in our backlog and strong execution resulted in improved profitability.**

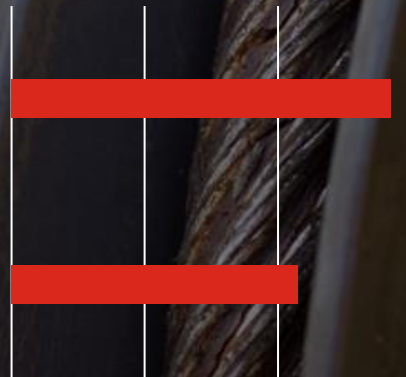
## 1Q25 Revenue Streams

57%

Capital Equipment

43%

Aftermarket



<i>in millions</i>	1Q25	Sequential Variance	Year-Over-Year Variance
Revenue	\$1,146	(11)%	(3)%
Adjusted EBITDA	165	(11)%	+39%
Adjusted EBITDA %	14.4%	Flat	+430 bps
Ending Backlog	4,413	(0)%	+12%
Orders, net	437	(42)%	+12%
Book-to-Bill	80%		

# Capital Allocation

## Balance Sheet

Investment grade rating critical to business model

**<1x**

Net debt leverage ratio

**<2x**

Gross debt leverage ratio

as of 1Q25

## Capex

Maintain our asset base and invest in organic growth opportunities

**\$84<sub>MM</sub>**

Capex in 1Q25

## M&A

Enhance strategic growth initiatives

—

Acquisitions net of divestitures in 1Q25

## Return Capital

Through base dividend, share repurchases, and annual supplemental dividend<sup>2</sup>

**\$109<sub>MM</sub>**

Returned to shareholders in 1Q25

**NOV expects to return at least 50% of Excess Free Cash Flow<sup>1</sup>**

<sup>1</sup> NOV expects to return at least 50 percent of Excess Free Cash Flow (defined as cash flow from operations less capital expenditures and other investments, including acquisitions and divestitures) through a combination of quarterly base dividends, opportunistic stock buybacks, and a supplemental dividend to true-up returns to shareholders on an annual basis.

<sup>2</sup> Subject to board approval, expect to pay a supplemental dividend of approximately \$80 million in mid-June to true-up 2024 return of capital program to 50 percent of Excess Free Cash Flow.

# Outlook: Q2 2025 Outlook

## Year-Over-Year (Q2'24 vs Q2'25)

### NOV

Revenue	Down one to four percent
Adj. EBITDA	\$250 million - \$280 million

### EPS

Revenue	Down five to eight percent
Adj. EBITDA	\$140 million - \$160 million

### EE

Revenue	Flat to up one percent
Adj. EBITDA	\$155 million - \$175 million

Guidance is based on current outlook and plans and is subject to a number of known and unknown uncertainties and risks and constitutes "forward-looking statements" within the meaning of Section 21E of the Securities Exchange Act of 1934 as further described under "Safe Harbor / Forward Looking Statements / Non-GAAP Financial Measures". Actual results may differ materially from the guidance set forth above.

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# Appendix

# Reconciliation of Net Income to Adjusted EBITDA (Unaudited)

In millions

	Three Months Ended		
	March 31,		December 31,
	2025	2024	2024
<b>Revenue:</b>			
Energy Products and Services	\$ 992	\$ 1,017	\$ 1,060
Energy Equipment	1,146	1,178	1,287
Eliminations	(35)	(40)	(39)
Total revenue	2,103	2,155	2,308
<b>Adjusted EBITDA:</b>			
Energy Products and Services	\$ 145	\$ 174	\$ 173
Energy Equipment	165	119	185
Eliminations and corporate costs	(58)	(52)	(56)
Total Adjusted EBITDA	\$ 252	\$ 241	\$ 302
<b>Adjusted EBITDA %:</b>			
Energy Products and Services	14.6%	17.1%	16.3%
Energy Equipment	14.4%	10.1%	14.4%
Corporate	—	—	—
Total Adjusted EBITDA %	12.0%	11.2%	13.1%
<b>Reconciliation of Adjusted EBITDA:</b>			
GAAP net income attributable to Company	\$ 73	\$ 119	\$ 160
Noncontrolling interests	1	2	1
Provision for income taxes	47	44	38
Interest and financial costs	22	24	24
Interest income	(11)	(8)	(11)
Equity (income) loss in unconsolidated affiliates	—	(29)	1
Other (income) expense, net	20	10	(6)
Gain on sales of fixed assets	(2)	(1)	—
Depreciation and amortization	89	83	88
Other items, net	13	(3)	7
Total Adjusted EBITDA	\$ 252	\$ 241	\$ 302

# Reconciliation of Cash Flows from Operating Activities to Free Cash Flow (Unaudited)

In millions

	Three Months Ended	
	March 31,	
	2025	2024
Total cash flows provided by (used in) operating activities	\$ 135	\$ (78)
Capital expenditures	(84)	(69)
Free Cash Flow	<u>\$ 51</u>	<u>\$ (147)</u>
Business acquisitions, net of cash acquired	—	(243)
Excess Free Cash Flow	<u>\$ 51</u>	<u>\$ (390)</u>

