
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 OR 15(d) of The
Securities Exchange Act of 1934**

October 25, 2012

Date of Report (Date of earliest event reported)

NATIONAL OILWELL VARCO, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

1-12317
(Commission
File Number)

76-0475815
(IRS Employer
Identification No.)

7909 Parkwood Circle Dr.
Houston, Texas
(Address of principal executive offices)

77036
(Zip Code)

Registrant's telephone number, including area code: 713-346-7500

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 2.02 Results of Operations and Financial Condition

On October 25, 2012, National Oilwell Varco, Inc. issued a press release announcing earnings for the third quarter ended September 30, 2012 and conference call in connection therewith. A copy of the release is furnished herewith as Exhibit 99.1 and incorporated herein by reference.

The information contained in this Current Report shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 (the "Exchange Act") or otherwise subject to the liabilities of that section, nor shall it be incorporated by reference into a filing under the Securities Act of 1933, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

Item 9.01 Financial Statements and Exhibits*(d) Exhibits*

The following exhibit is provided as part of the information furnished under Item 2.02 of this Current Report on Form 8-K:

99.1 National Oilwell Varco, Inc. press release dated October 25, 2012 announcing the earnings results for the third quarter ended September 30, 2012.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: October 25, 2012

NATIONAL OILWELL VARCO, INC.

/s/ Raymond W. Chang
Raymond W. Chang
Vice President

Index to Exhibits

99.1 National Oilwell Varco, Inc. press release dated October 25, 2012 announcing the earnings results for the third quarter ended September 30, 2012.



NEWS

Contact: Clay Williams
(713) 346-7606

FOR IMMEDIATE RELEASE

NATIONAL OILWELL VARCO ANNOUNCES THIRD QUARTER 2012 RESULTS

HOUSTON, TX, October 25, 2012 — National Oilwell Varco, Inc. (NYSE: NOV) today reported that for the third quarter ended September 30, 2012 it earned net income of \$612 million, or \$1.43 per fully diluted share, compared to second quarter ended June 30, 2012 net income of \$605 million, or \$1.42 per fully diluted share. Earnings per share increased 14 percent compared to the third quarter 2011 earnings of \$1.25 per fully diluted share.

Transaction charges for the third quarter of 2012 were \$57 million pre-tax. Net income for the third quarter of 2012 excluding transaction charges was \$650 million, or \$1.52 per fully diluted share. This compares to second quarter of 2012 net income of \$626 million, or \$1.46 per fully diluted share, and third quarter 2011 net income of \$536 million or \$1.26 per fully diluted share, excluding transaction charges from all periods.

The Company's revenues for the third quarter of 2012 were \$5.3 billion, an increase of 12 percent from the second quarter of 2012 and an increase of 42 percent from the third quarter of 2011. Operating profit for the third quarter of 2012 was \$946 million or 17.8 percent of sales, excluding transaction charges. Sequentially, third quarter operating profit increased four percent, resulting in operating profit flow-through (change in operating profit divided by the change in revenue) of seven percent, excluding transaction charges. Year-over-year third quarter operating profit increased 22 percent, resulting in operating profit flow-through of 11 percent, excluding transaction charges.

During the third quarter of 2012 the Company's Rig Technology segment booked \$2.29 billion in new orders. Backlog for capital equipment orders for the Company's Rig Technology segment at September 30, 2012 was \$11.66 billion, up three percent from the end of the second quarter of 2012.

Pete Miller, Chairman, President and CEO of National Oilwell Varco, remarked, "Outstanding execution enabled the Company to achieve solid earnings again this quarter. We are pleased by the level of bookings into our capital equipment backlog for the Rig Technology segment during the third quarter. We continue to see steady activity around new orders, and expect high demand for deepwater rigs to drive solid orders again in the fourth quarter. Demand for other NOV products and services continued to grow in international markets, but softening demand in North America partly offset this trend during the third quarter.

Our Company has completed a number of strategic initiatives this year, and I am pleased to report that these are going very well. Our investments will further strengthen National Oilwell Varco's capabilities to service our customers, as well as provide future opportunities for our employees and earnings growth for our shareholders."

Rig Technology

Third quarter revenues for the Rig Technology segment were a record \$2.55 billion, an increase of six percent from the second quarter of 2012 and an increase of 29 percent from the third quarter of 2011. Operating profit for this segment was \$610 million, or 23.9 percent of sales. Operating profit flow-through was 27 percent sequentially and 14 percent from the third quarter of 2011 to the third quarter of 2012. Revenue out of backlog for the segment increased five percent sequentially and increased 36 percent year-over-year, to \$1.91 billion for the third quarter of 2012.

Petroleum Services & Supplies

Revenues for the third quarter of 2012 for the Petroleum Services & Supplies segment were \$1.72 billion, down three percent compared to second quarter 2012 results and up 18 percent from the third quarter of 2011. Operating profit was \$383 million, or 22.3 percent of revenue, up 28 percent from the third quarter of 2011. Operating profit flow-through was 33 percent from the third quarter of 2011 to the third quarter of 2012.

Distribution & Transmission

The Distribution & Transmission segment generated third quarter revenues of \$1.32 billion, which were up 69 percent from the second quarter of 2012 and were up 174 percent from the third quarter of 2011, due mostly to previously disclosed mergers completed during the second quarter and third quarters of 2012. Third quarter operating profit was \$78 million or 5.9 percent of sales. Operating profit flow-through was four percent sequentially and five percent from the third quarter of 2011 to the third quarter of 2012.

The Company has scheduled a conference call for October 25, 2012, at 8:00 a.m. Central Time to discuss third quarter results. The call will be broadcast through the Investor Relations link on National Oilwell Varco's web site at www.nov.com, and a replay will be available on the site for thirty days following the conference. Participants may also join the conference call by dialing **1-800-446-1671 within North America or 1-847-413-3362 outside of North America** five to ten minutes prior to the scheduled start time, and ask for the "National Oilwell Varco Earnings Conference Call."

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, the provision of oilfield services, and supply chain integration services to the upstream oil and gas industry.

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 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.

- more -

NATIONAL OILWELL VARCO, INC.
CONSOLIDATED BALANCE SHEETS
(In millions, except share data)

	September 30, 2012 (Unaudited)	December 31, 2011
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 1,702	\$ 3,535
Receivables, net	4,033	3,291
Inventories, net	5,989	4,030
Costs in excess of billings	1,065	593
Deferred income taxes	286	336
Prepaid and other current assets	592	325
Total current assets	<u>13,667</u>	<u>12,110</u>
Property, plant and equipment, net	2,818	2,445
Deferred income taxes	320	267
Goodwill	6,940	6,151
Intangibles, net	4,431	4,073
Investment in unconsolidated affiliates	370	391
Other assets	116	78
	<u>\$ 28,662</u>	<u>\$ 25,515</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 1,365	\$ 901
Accrued liabilities	2,363	2,376
Billings in excess of costs	1,037	865
Current portion of long-term debt and short-term borrowings	354	351
Accrued income taxes	194	709
Deferred income taxes	368	214
Total current liabilities	<u>5,681</u>	<u>5,416</u>
Long-term debt	1,175	159
Deferred income taxes	1,802	1,852
Other liabilities	321	360
Total liabilities	<u>8,979</u>	<u>7,787</u>
Commitments and contingencies		
Stockholders' equity:		
Common stock – par value \$.01; 1 billion shares authorized; 426,879,173 and 423,900,601 shares issued and outstanding at September 30, 2012 and December 31, 2011	4	4
Additional paid-in capital	8,718	8,535
Accumulated other comprehensive income (loss)	79	(23)
Retained earnings	10,773	9,103
Total National Oilwell Varco stockholders' equity	<u>19,574</u>	<u>17,619</u>
Noncontrolling interests	109	109
Total stockholders' equity	<u>19,683</u>	<u>17,728</u>
	<u>\$ 28,662</u>	<u>\$ 25,515</u>

NATIONAL OILWELL VARCO, INC.
CONSOLIDATED STATEMENTS OF INCOME (Unaudited)
(In millions, except per share data)

	Three Months Ended			Nine Months Ended	
	September 30,		June 30,	September 30,	
	2012	2011	2012	2012	2011
Revenue:					
Rig Technology	\$2,547	\$1,970	\$2,405	\$ 7,211	\$ 5,472
Petroleum Services & Supplies	1,717	1,460	1,776	5,197	4,084
Distribution & Transmission	1,315	480	780	2,659	1,313
Eliminations	(260)	(170)	(227)	(711)	(470)
Total revenue	5,319	3,740	4,734	14,356	10,399
Gross profit	1,411	1,170	1,321	4,003	3,251
Gross profit %	26.5%	31.3%	27.9%	27.9%	31.3%
Selling, general, and administrative	465	392	414	1,269	1,133
Other costs	57	6	28	92	29
Operating profit	889	772	879	2,642	2,089
Interest and financial costs	(10)	(8)	(9)	(27)	(31)
Interest income	2	5	3	8	13
Equity income in unconsolidated affiliates	7	11	19	43	34
Other income (expense), net	(14)	—	(5)	(32)	(26)
Income before income taxes	874	780	887	2,634	2,079
Provision for income taxes	265	252	285	819	667
Net income	609	528	602	1,815	1,412
Net loss attributable to noncontrolling interests	(3)	(4)	(3)	(8)	(8)
Net income attributable to Company	<u>\$ 612</u>	<u>\$ 532</u>	<u>\$ 605</u>	<u>\$ 1,823</u>	<u>\$ 1,420</u>
Net income attributable to Company per share:					
Basic	<u>\$ 1.44</u>	<u>\$ 1.26</u>	<u>\$ 1.42</u>	<u>\$ 4.29</u>	<u>\$ 3.37</u>
Diluted	<u>\$ 1.43</u>	<u>\$ 1.25</u>	<u>\$ 1.42</u>	<u>\$ 4.28</u>	<u>\$ 3.35</u>
Weighted average shares outstanding:					
Basic	<u>425</u>	<u>422</u>	<u>425</u>	<u>425</u>	<u>421</u>
Diluted	<u>427</u>	<u>425</u>	<u>427</u>	<u>426</u>	<u>424</u>

NATIONAL OILWELL VARCO, INC.
OPERATING PROFIT – AS ADJUSTED SUPPLEMENTAL SCHEDULE (Unaudited)
(In millions)

	Three Months Ended			Nine Months Ended	
	September 30,		June 30,	September 30,	
	2012	2011	2012	2012	2011
Revenue:					
Rig Technology	\$2,547	\$1,970	\$2,405	\$ 7,211	\$ 5,472
Petroleum Services & Supplies	1,717	1,460	1,776	5,197	4,084
Distribution & Transmission	1,315	480	780	2,659	1,313
Eliminations	(260)	(170)	(227)	(711)	(470)
Total revenue	<u>\$5,319</u>	<u>\$3,740</u>	<u>\$4,734</u>	<u>\$14,356</u>	<u>\$10,399</u>
Operating profit:					
Rig Technology	\$ 610	\$ 528	\$ 571	\$ 1,732	\$ 1,467
Petroleum Services & Supplies	383	299	393	1,164	794
Distribution & Transmission	78	37	54	175	91
Unallocated expenses and eliminations	(125)	(86)	(111)	(337)	(234)
Total operating profit (before other costs)	<u>\$ 946</u>	<u>\$ 778</u>	<u>\$ 907</u>	<u>\$ 2,734</u>	<u>\$ 2,118</u>
Operating profit %:					
Rig Technology	23.9%	26.8%	23.7%	24.0%	26.8%
Petroleum Services & Supplies	22.3%	20.5%	22.1%	22.4%	19.4%
Distribution & Transmission	5.9%	7.7%	6.9%	6.6%	6.9%
Other unallocated	—	—	—	—	—
Total operating profit % (before other costs)	<u>17.8%</u>	<u>20.8%</u>	<u>19.2%</u>	<u>19.0%</u>	<u>20.4%</u>

NATIONAL OILWELL VARCO, INC.
AS ADJUSTED EBITDA RECONCILIATION EXCLUDING OTHER COSTS
(Unaudited)
(In millions)

	Three Months Ended			Nine Months Ended	
	September 30,		June 30,	September 30,	
	2012	2011	2012	2012	2011
Reconciliation of EBITDA excluding other costs (Note 1):					
GAAP net income attributable to Company	\$ 612	\$532	\$ 605	\$1,823	\$1,420
Provision for income taxes	265	252	285	819	667
Interest expense	10	8	9	27	31
Depreciation and amortization	157	140	157	462	413
EBITDA	1,044	932	1,056	3,131	2,531
Other costs:					
Transaction costs	57	6	28	92	12
Libya asset write-down	—	—	—	—	17
EBITDA excluding other costs (Note 1)	<u>\$1,101</u>	<u>\$938</u>	<u>\$1,084</u>	<u>\$3,223</u>	<u>\$2,560</u>

Note 1: EBITDA excluding other costs means earnings before interest, taxes, depreciation, amortization, and other costs, and is a non-GAAP financial measurement. Management uses EBITDA excluding other costs because it believes it provides useful supplemental information regarding the Company's on-going economic performance and, therefore, uses this financial measure internally to evaluate and manage the Company's operations. The Company has chosen to provide this information to investors to enable them to perform more meaningful comparisons of operating results and as a means to emphasize the results of on-going operations.

CONTACT: National Oilwell Varco, Inc.
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