
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

April 27, 2010
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 April 27, 2010, National Oilwell Varco, Inc. issued a press release announcing earnings for the quarter ended March 31, 2010 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 April 27, 2010 announcing the earnings results for the quarter ended March 31, 2010.

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: April 27, 2010

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 April 27, 2010 announcing the earnings results for the quarter ended March 31, 2010.



NEWS

Contact: Clay Williams
(713) 346-7606FOR IMMEDIATE RELEASE**NATIONAL OILWELL VARCO ANNOUNCES
FIRST QUARTER 2010 EARNINGS AND BACKLOG**

HOUSTON, TX, April 27, 2010 — National Oilwell Varco, Inc. (NYSE: NOV) today reported that for its first quarter ended March 31, 2010 it earned net income of \$422 million, or \$1.01 per fully diluted share, up seven percent compared to fourth quarter ended December 31, 2009 net income of \$394 million, or \$0.94 per fully diluted share. Earnings per share decreased 11 percent compared to the first quarter of 2009, when the Company earned \$470 million or \$1.13 per fully diluted share. The first quarter 2010 results included Venezuela asset write-off and currency devaluation charges of \$38 million, or \$0.09 per share. Net income for the first quarter of 2010 excluding the Venezuela charges was \$460 million, or \$1.10 per fully diluted share.

Reported revenues for the first quarter were \$3.03 billion, a decrease of three percent from the fourth quarter of 2009 and a decrease of 13 percent from the first quarter of 2009. Operating profit for the quarter, excluding the Venezuela charges, was \$648 million or 21.4 percent of sales. Operating profit excluding the Venezuela charges improved \$26 million, despite the \$102 million decline in revenue.

During the first quarter of 2010 the Company's Rig Technology segment backlog of capital equipment booked \$618 million in new orders, partially offset by order cancellations, adjustments and change orders of \$71 million, resulting in net order additions of \$547 million. Backlog for capital equipment orders for the Company's Rig Technology segment was \$5.4 billion at March 31, 2010 compared to \$6.4 billion at December 31, 2009.

Pete Miller, Chairman, President and CEO of National Oilwell Varco, remarked, "Our Company got off to a great start in the first quarter, with all three segments posting higher sequential margins. Our rig-count driven Distribution and Petroleum Services & Supplies units benefitted from cost cutting in prior periods and higher drilling and pressure pumping activity across North America, and Rig Technology continued its skillful execution of orders in its backlog. Aggressive pursuit of manufacturing efficiency across our wide offering of oilfield products, our leading technologies, great service, and, most importantly, the best workforce in the industry, led to solid earnings this quarter.

While near-term gas activity in North America may face headwinds, sustained high oil prices and pressing needs for modern, efficient drilling and well stimulation equipment point to a bright outlook for National Oilwell Varco. We believe that the emergence of new shale gas technologies into new basins, and the steady application of new deepwater production technologies to find and develop new sources of oil will make this an exciting, dynamic industry for many years to come."

Rig Technology

First quarter revenues for the Rig Technology segment were \$1.9 billion, a decrease of five percent from the fourth quarter of 2009 and a decrease of 14 percent from the first quarter of 2009. Operating profit for this segment was \$581 million, or 30.8 percent of sales, an increase of three percent from the fourth quarter of 2009. Sequential operating margin improvement resulted from lower than expected manufacturing costs, which continued to decline on several large projects. The segment has benefitted from experience gained through the execution of numerous rig construction and retooling projects over the last few years, resulting in continued improvement and record margins again in the first quarter, despite modestly lower revenues for the group. Revenue out of backlog for the segment declined 11 percent year-over-year, and was down slightly from the fourth quarter of 2009, to \$1.5 billion for the first quarter of 2010.

Petroleum Services & Supplies

Revenues for the first quarter of 2010 for the Petroleum Services & Supplies segment were \$923 million, down one percent compared to fourth quarter 2009 results and down nine percent from the first quarter of 2009. Operating profit was \$113 million, or 12.2 percent of revenue, an increase of six percent from the fourth quarter of 2009. Sequentially higher sales of downhole tools, drillbits, and wellsite services, mostly from North America, were offset by lower worldwide drillpipe sales in the quarter.

Distribution Services

The Distribution Services segment generated first quarter revenues of \$334 million, which were up one percent from the fourth quarter of 2009 and represented an 18 percent decrease from the first quarter of 2009. First quarter operating profit was \$11 million or 3.3 percent of sales. Operating profit flow-through, or the change in operating profit divided by the change in revenue, was up 100 percent from the fourth quarter of 2009 to the first quarter of 2010. Sales gains in North America were partly offset by declines in international markets.

The Company has scheduled a conference call for April 27, 2010, at 9:00 a.m. Central Time to discuss first 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.

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

	March 31, 2010 (Unaudited)	December 31, 2009
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 2,608	\$ 2,622
Receivables, net	2,111	2,187
Inventories, net	3,423	3,490
Costs in excess of billings	918	740
Deferred income taxes	228	290
Prepaid and other current assets	257	269
Total current assets	9,545	9,598
Property, plant and equipment, net	1,810	1,836
Deferred income taxes	131	92
Goodwill	5,544	5,489
Intangibles, net	3,987	4,052
Investment in unconsolidated affiliate	390	393
Other assets	59	72
	<u>\$ 21,466</u>	<u>\$ 21,532</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 538	\$ 584
Accrued liabilities	2,245	2,267
Billings in excess of costs	681	1,090
Current portion of long-term debt and short-term borrowings	156	7
Accrued income taxes	124	226
Total current liabilities	3,744	4,174
Long-term debt	724	876
Deferred income taxes	2,166	2,091
Other liabilities	252	163
Total liabilities	6,886	7,304
Commitments and contingencies		
Stockholders' equity:		
Common stock — par value \$.01; 418,938,789 and 418,451,731 shares issued and outstanding at March 31, 2010 and December 31, 2009	4	4
Additional paid-in capital	8,228	8,214
Accumulated other comprehensive income	50	90
Retained earnings	6,185	5,805
Total Company stockholders' equity	14,467	14,113
Noncontrolling interests	113	115
Total stockholders' equity	14,580	14,228
	<u>\$ 21,466</u>	<u>\$ 21,532</u>

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

	Three Months Ended		
	March 31, 2010	2009	December 31, 2009
Revenue:			
Rig technology	\$ 1,886	\$ 2,199	\$ 1,977
Petroleum services and supplies	923	1,014	936
Distribution services	334	408	331
Eliminations	(111)	(140)	(110)
Total revenue	3,032	3,481	3,134
Gross profit	973	1,039	980
Gross profit %	32.1%	29.8%	31.3%
Selling, general, and administrative	325	319	358
Transaction, restructuring and devaluation costs	38	—	14
Operating profit	610	720	608
Interest and financial costs	(13)	(13)	(13)
Interest income	2	2	1
Equity income in unconsolidated affiliate	6	28	2
Other income (expense), net	11	(36)	(23)
Income before income taxes	616	701	575
Provision for income taxes	197	228	184
Net income	419	473	391
Net income (loss) attributable to noncontrolling interests	(3)	3	(3)
Net income attributable to Company	<u>\$ 422</u>	<u>\$ 470</u>	<u>\$ 394</u>
Net income attributable to Company per share:			
Basic	<u>\$ 1.01</u>	<u>\$ 1.13</u>	<u>\$ 0.95</u>
Diluted	<u>\$ 1.01</u>	<u>\$ 1.13</u>	<u>\$ 0.94</u>
Weighted average shares outstanding:			
Basic	<u>417</u>	<u>416</u>	<u>416</u>
Diluted	<u>419</u>	<u>418</u>	<u>419</u>

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

	Three Months Ended		
	March 31,		December 31,
	2010	2009	2009
Revenue:			
Rig technology	\$ 1,886	\$ 2,199	\$ 1,977
Petroleum services and supplies	923	1,014	936
Distribution services	334	408	331
Eliminations	(111)	(140)	(110)
Total Revenue	\$ 3,032	\$ 3,481	\$ 3,134
Operating profit:			
Rig technology	\$ 581	\$ 606	\$ 566
Petroleum services and supplies	113	164	107
Distribution services	11	25	8
Unallocated expenses and eliminations	(57)	(75)	(59)
Total operating profit (before transaction, restructuring and devaluation costs)	\$ 648	\$ 720	\$ 622
Operating profit %:			
Rig technology	30.8%	27.6%	28.6%
Petroleum services and supplies	12.2%	16.2%	11.4%
Distribution services	3.3%	6.1%	2.4%
Other unallocated	—	—	—
Total operating profit (before transaction, restructuring and devaluation costs)	21.4%	20.7%	19.8%

NATIONAL OILWELL VARCO, INC.
AS ADJUSTED EBITDA RECONCILIATION EXCLUDING TRANSACTION, RESTRUCTURING AND DEVALUATION COSTS
(Unaudited)
(In millions)

	Three Months Ended		
	March 31,		December 31,
	2010	2009	2009
Reconciliation of EBITDA (Note 1):			
GAAP net income attributable to Company	\$ 422	\$ 470	\$ 394
Provision for income taxes	197	228	184
Interest expense	13	13	13
Depreciation and amortization	127	116	126
Transaction, restructuring and devaluation costs	38	—	14
EBITDA (Note 1)	\$ 797	\$ 827	\$ 731

Note 1: EBITDA means earnings before interest, taxes, depreciation, amortization, and transaction, restructuring and devaluation costs, and is a non-GAAP measurement. Management uses EBITDA 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.

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