
**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**

Date of Report (Date of earliest event reported) April 28, 2014

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 28, 2014, National Oilwell Varco, Inc. issued a press release announcing earnings for the quarter ended March 31, 2014 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 28, 2014 announcing the earnings results for the quarter ended March 31, 2014.

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 28, 2014

NATIONAL OILWELL VARCO, INC.

/s/ Brigitte Hunt

Brigitte Hunt

Vice President

Index to Exhibits

99.1 National Oilwell Varco, Inc. press release dated April 28, 2014 announcing the earnings results for the quarter ended March 31, 2014.



NEWS

Contact: Jeremy Thigpen
(713) 346-7301**FOR IMMEDIATE RELEASE****NATIONAL OILWELL VARCO ANNOUNCES
FIRST QUARTER 2014 EARNINGS AND BACKLOG**

HOUSTON, TX, April 28, 2014 — National Oilwell Varco, Inc. (NYSE: NOV) today reported that for its first quarter ended March 31, 2014, it earned net income of \$589 million, or \$1.37 per fully diluted share, compared to fourth quarter ended December 31, 2013 net income of \$658 million, or \$1.53 per fully diluted share. Excluding pre-tax transaction charges of \$19 million, earnings were \$602 million, or \$1.40 per fully diluted share.

Revenues for the first quarter of 2014 were \$5.78 billion, a decrease of six percent from the fourth quarter of 2013 and an increase of nine percent from the first quarter of 2013. Operating profit for the quarter, excluding the transaction charges, was \$880 million, or 15.2 percent of sales. Sequentially, first quarter operating profit decreased 10 percent, while year-over-year first quarter operating profit increased eight percent.

Backlog for capital equipment orders for the Company's Rig Technology segment at March 31, 2014 was an all-time record of \$16.35 billion, up one percent from the fourth quarter of 2013, and up 27 percent from the first quarter of 2013. New orders during the quarter were \$2.33 billion, reflecting continued healthy demand for oilfield equipment.

Clay Williams, President and CEO of National Oilwell Varco, stated, "We are pleased with our solid start to the new year, as the Company's investments in new technologies, manufacturing capacity and strategic acquisitions drove year-over-year revenue and earnings growth. Our \$2.33 billion in new capital orders and record backlog demonstrate that demand for oilfield equipment remained high in the first quarter, as our customers continued to recognize National Oilwell Varco for our industry leading technology, our proven track record of project execution, and our leading aftermarket service.

We are encouraged to see domestic land drilling and well service firms increasing activity, which is leading to increased demand for drilling and stimulation equipment to develop unconventional shales. Outside of the U.S., our investments in Latin America, Africa, the Middle East and Asia have laid a great foundation for continued growth." Williams added "We are also pleased to be entering into the final stages of the previously announced spinoff of our distribution business to our shareholders, which we expect to complete during the second quarter. I want to thank all of the employees, of what will soon be two separately traded companies, for all of their hard work to make this Company successful."

Rig Technology

First quarter revenues for the Rig Technology segment were \$3.01 billion, a decrease of nine percent from the fourth quarter of 2013 and an increase of 14 percent from the first quarter of 2013. Operating profit for this segment was \$635 million, or 21.1 percent of sales. Year-over-year operating profit flow-through (change in operating profit divided by the change in revenue) was 20 percent. Revenue out of backlog for the segment was at \$2.22 billion.

Petroleum Services & Supplies

Revenues for the first quarter of 2014 for the Petroleum Services & Supplies segment were \$1.79 billion, down seven percent compared to fourth quarter 2013 results and up five percent from the first quarter of 2013. Operating profit was \$326 million, or 18.2 percent of revenue. Year-over-year operating profit flow-through was 17 percent.

Distribution & Transmission

The Distribution & Transmission segment generated first quarter revenues of \$1.28 billion, up two percent from the fourth quarter of 2013 and up four percent from the first quarter of 2013. First quarter operating profit was \$68 million, or 5.3 percent of sales. Year-over-year operating profit flow-through was six percent.

The Company has scheduled a conference call for April 28, 2014, at 8:00 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 **1-800-447-0521 within North America** or **1-847-413-3238 outside of North America** five to ten minutes prior to the scheduled start time and asking 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)

| | March 31, 2014 (Unaudited) | December 31, 2013 |
|--|----------------------------------|----------------------|
| ASSETS | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 3,688 | \$ 3,436 |
| Receivables, net | 5,310 | 4,896 |
| Inventories, net | 5,659 | 5,603 |
| Costs in excess of billings | 1,520 | 1,539 |
| Deferred income taxes | 325 | 373 |
| Prepaid and other current assets | 709 | 576 |
| Total current assets | 17,211 | 16,423 |
| Property, plant and equipment, net | 3,437 | 3,408 |
| Deferred income taxes | 479 | 372 |
| Goodwill | 8,875 | 9,049 |
| Intangibles, net | 4,953 | 5,055 |
| Investment in unconsolidated affiliate | 402 | 390 |
| Other assets | 123 | 115 |
| | <u>\$ 35,480</u> | <u>\$ 34,812</u> |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| Current liabilities: | | |
| Accounts payable | \$ 1,391 | \$ 1,275 |
| Accrued liabilities | 2,717 | 2,763 |
| Billings in excess of costs | 2,079 | 1,771 |
| Current portion of long-term debt and short-term borrowings | — | 1 |
| Accrued income taxes | 484 | 556 |
| Deferred income taxes | 427 | 312 |
| Total current liabilities | 7,098 | 6,678 |
| Long-term debt | 3,149 | 3,149 |
| Deferred income taxes | 2,088 | 2,292 |
| Other liabilities | 353 | 363 |
| Total liabilities | 12,688 | 12,482 |
| Commitments and contingencies | | |
| Stockholders' equity: | | |
| Common stock – par value \$.01; 1 billion shares authorized; 428,852,227 and 428,433,703 shares issued and outstanding at March 31, 2014 and December 31, 2013 | 4 | 4 |
| Additional paid-in capital | 8,933 | 8,907 |
| Accumulated other comprehensive loss | (41) | (4) |
| Retained earnings | 13,801 | 13,323 |
| Total Company stockholders' equity | 22,697 | 22,230 |
| Noncontrolling interests | 95 | 100 |
| Total stockholders' equity | 22,792 | 22,330 |
| | <u>\$ 35,480</u> | <u>\$ 34,812</u> |

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

| | Three Months Ended | | December 31, 2013 |
|--|--------------------|----------------|----------------------|
| | March 31, 2014 | 2013 | |
| Revenue: | | | |
| Rig Technology | \$3,009 | \$2,628 | \$ 3,310 |
| Petroleum Services & Supplies | 1,789 | 1,701 | 1,925 |
| Distribution & Transmission | 1,281 | 1,227 | 1,253 |
| Eliminations | (302) | (249) | (316) |
| Total revenue | <u>5,777</u> | <u>5,307</u> | <u>6,172</u> |
| Gross profit | 1,400 | 1,287 | 1,500 |
| Gross profit % | 24.2% | 24.3% | 24.3% |
| Selling, general, and administrative | 520 | 471 | 527 |
| Transaction and devaluation costs | 19 | 73 | 16 |
| Operating profit | <u>861</u> | <u>743</u> | <u>957</u> |
| Interest and financial costs | (26) | (28) | (27) |
| Interest income | 4 | 3 | 4 |
| Equity income in unconsolidated affiliate | 10 | 19 | 16 |
| Other income (expense), net | — | (13) | (17) |
| Income before income taxes | 849 | 724 | 933 |
| Provision for income taxes | <u>260</u> | <u>224</u> | <u>272</u> |
| Net income | 589 | 500 | 661 |
| Net income (loss) attributable to noncontrolling interests | — | (2) | 3 |
| Net income attributable to Company | <u>\$ 589</u> | <u>\$ 502</u> | <u>\$ 658</u> |
| Net income attributable to Company per share: | | | |
| Basic | <u>\$ 1.38</u> | <u>\$ 1.18</u> | <u>\$ 1.54</u> |
| Diluted | <u>\$ 1.37</u> | <u>\$ 1.17</u> | <u>\$ 1.53</u> |
| Weighted average shares outstanding: | | | |
| Basic | <u>428</u> | <u>426</u> | <u>427</u> |
| Diluted | <u>429</u> | <u>428</u> | <u>429</u> |

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

| | Three Months Ended | | |
|---|--------------------|-------------------|----------------------|
| | 2014 | March 31, 2013 | December 31, 2013 |
| Revenue: | | | |
| Rig Technology | \$3,009 | \$2,628 | \$ 3,310 |
| Petroleum Services & Supplies | 1,789 | 1,701 | 1,925 |
| Distribution & Transmission | 1,281 | 1,227 | 1,253 |
| Eliminations | (302) | (249) | (316) |
| Total Revenue | <u>\$5,777</u> | <u>\$5,307</u> | <u>\$ 6,172</u> |
| Operating profit: | | | |
| Rig Technology | \$ 635 | \$ 557 | \$ 697 |
| Petroleum Services & Supplies | 326 | 311 | 366 |
| Distribution & Transmission | 68 | 65 | 60 |
| Unallocated expenses and eliminations | (149) | (117) | (150) |
| Total operating profit (before other costs) | <u>\$ 880</u> | <u>\$ 816</u> | <u>\$ 973</u> |
| Operating profit %: | | | |
| Rig Technology | 21.1% | 21.2% | 21.1% |
| Petroleum Services & Supplies | 18.2% | 18.3% | 19.0% |
| Distribution & Transmission | 5.3% | 5.3% | 4.8% |
| Other unallocated | — | — | — |
| Total operating profit % (before other costs) | <u>15.2%</u> | <u>15.4%</u> | <u>15.8%</u> |

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

| | Three Months Ended | | |
|---|--------------------|----------------|-----------------|
| | March 31, | | December 31, |
| | 2014 | 2013 | 2013 |
| Reconciliation of EBITDA excluding other costs (Note 1): | | | |
| GAAP net income attributable to Company | \$ 589 | \$ 502 | \$ 658 |
| Provision for income taxes | 260 | 224 | 272 |
| Interest expense | 26 | 28 | 27 |
| Depreciation and amortization | 195 | 174 | 200 |
| EBITDA | 1,070 | 928 | 1,157 |
| Other costs: | | | |
| Transaction costs | 19 | 65 | 16 |
| Devaluation costs | — | 8 | — |
| EBITDA excluding other costs (Note 1) | <u>\$1,089</u> | <u>\$1,001</u> | <u>\$ 1,173</u> |

Note 1: EBITDA means earnings before taxes, interest, depreciation, amortization, and other 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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