



Q3 2018 Earnings

October 26th, 2018

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Q3 2018 Consolidated Financial Results

\$2,154MM Revenue

\$245MM Adjusted EBITDA

\$1MM Net Income

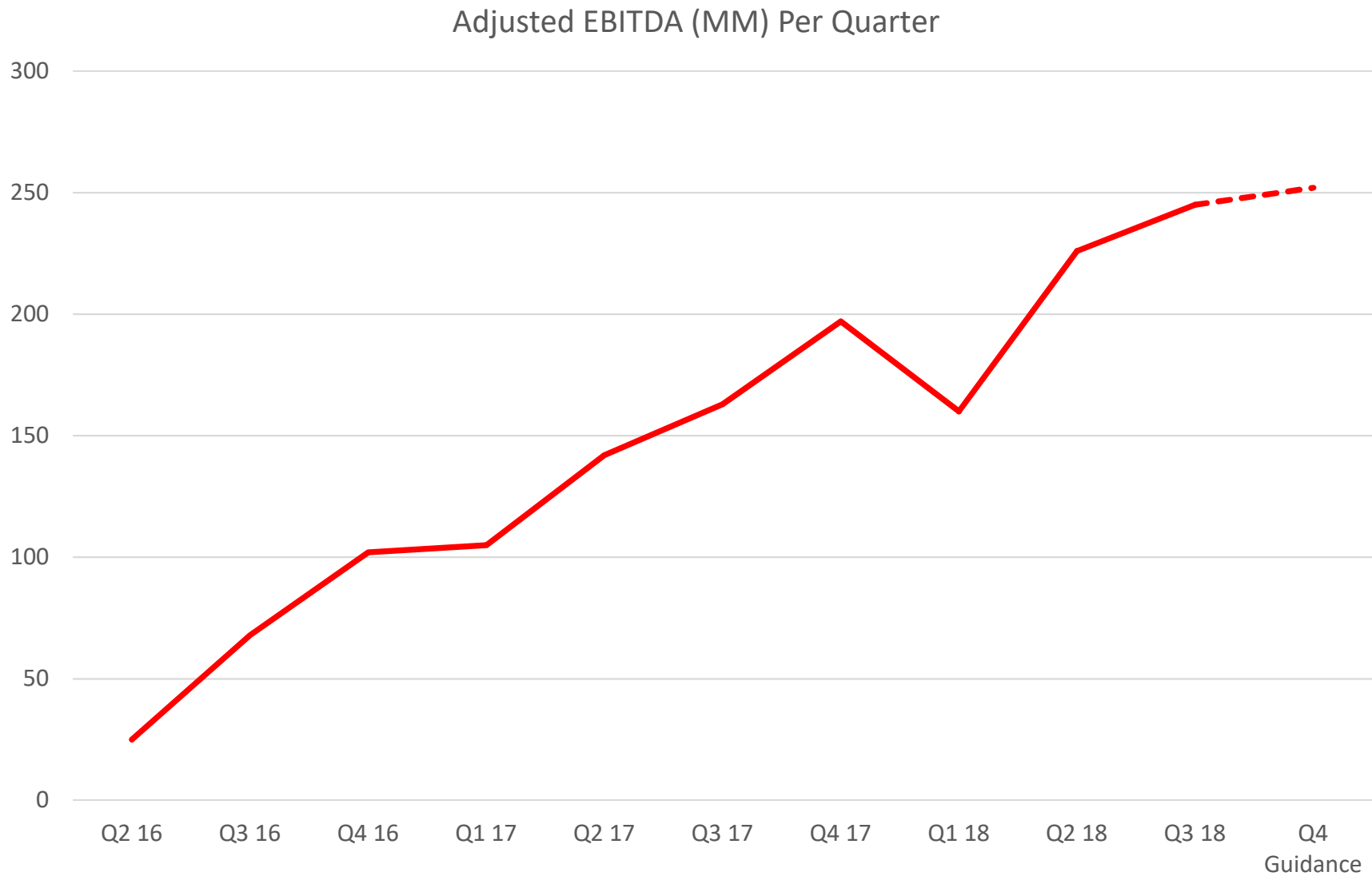
“Our revenues and Adjusted EBITDA continued to grow in the third quarter, underpinned by higher sequential demand for downhole tools, drill pipe, and wellsite services in support of drilling operations globally.”

For reconciliation of all non U.S. GAAP numbers to U.S. GAAP numbers, see tables on pages 14 and 15

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3Q 18 Earnings | 2

EBITDA¹ Improvements Continued in Q3



¹ EBITDA corresponds with the term "Adjusted EBITDA" as defined in our Q3 2018 Earnings Press Release

Q3 2018 Revenues

Wellbore Technologies

\$847MM

Completion & Production
Solutions

\$735MM

Rig Technologies

\$637MM



67%

LAND



46%

NORTH AMERICA

"North America" refers to the United States and Canada

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Wellbore Technologies

Provides critical technologies consumed in the drilling process

	3Q18	2Q18	Quarterly Variance	Prior Year Variance
Revenue	847	793	7%	22%
Adjusted EBITDA	135	133	2%	44%
Adjusted EBITDA %	15.9%	16.8%	-90 bps	+230 bps

“More signs of life are emerging in international markets, allowing the segment to post its second quarter in a row of double-digit growth in the Eastern Hemisphere.”

Wellbore Technologies

Provides critical technologies consumed in the drilling process



Increased contributions from **downhole tools, drill pipe, and drilling fluids** are driving top-line growth while our businesses cope with inflationary forces around steel and labor.



Q4 Guidance

Revenue

Two to three percent sequential improvement

EBITDA

30% to 35% incrementals

Completions and Production Solutions

Provides critical technologies to complete wells and enhance their productivity

	3Q18	2Q18	Quarterly Variance	Prior Year Variance
Revenue	735	738	Flat	8%
Adjusted EBITDA	99	94	5%	2%
Adjusted EBITDA %	13.5%	12.7%	+80 bps	-70 bps
Starting Backlog	955	1,010	(5%)	8%
Revenue out of Backlog	439	418	5%	13%
Orders	372	398	(7%)	(20%)
Ending Backlog	880	955	(8%)	(10%)

“Sharper than anticipated declines in our offshore-focused businesses and slowing demand for pressure pumping equipment more than offset strong growth in our Fiber Glass Systems and Completion Tools businesses.”

Completions and Production Solutions

Provides critical technologies to complete wells and enhance their productivity

Strong demand for coiled tubing equipment, but opportunities for additional pressure pump unit sales are limited, due to slowdown in completion activity in West Texas.

Elsewhere, our **Completion Tools** business is growing rapidly, global demand for **corrosion-proof composite pipe** continues to increase, and rising demand for **XL Systems conductor pipe** points to expected future growth in offshore drilling.



Q4 Guidance

Revenue

In line with the third quarter

EBITDA

In line with the third quarter

Rig Technologies

Designs, delivers, and supports the world's most advanced drilling solutions

	3Q18	2Q18	Quarterly Variance	Prior Year Variance
Revenue	637	651	(2%)	25%
Adjusted EBITDA	78	84	(7%)	95%
Adjusted EBITDA %	12.2%	12.9%	-70 bps	+440 bps
Starting Backlog	3,514	2,046	72%	58%
Revenue out of Backlog	256	276	(7%)	27%
Orders	151	2,026	(32%) ¹	80%
Ending Backlog	3,401	3,514	(3%)	69%

“Improving aftermarket sales and better progress on offshore projects did not fully offset lower-than-anticipated deliveries of land rigs”

¹ Orders quarterly variance calculation excludes \$1.8B rig order booked in Q2 2018

Rig Technologies

Designs, delivers, and supports the world's most advanced drilling solutions

New orders decreased to \$151M after three quarters in a row of improved bookings.

Fourth consecutive quarter of increased spares bookings, with demand for offshore parts achieving its highest level since the third quarter of 2015.

Over 100 NOVOS units sold to 16 unique customers, with the first system on an offshore floater commissioned in 3Q.



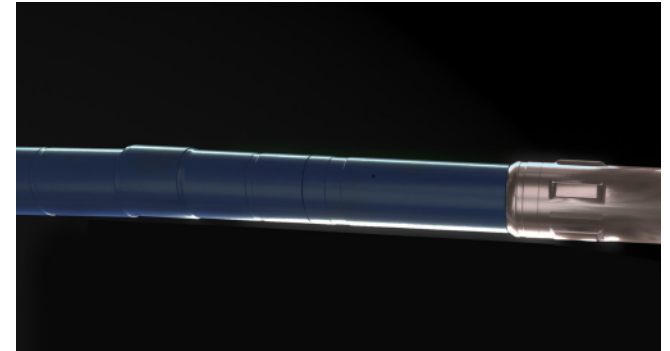
Q4 Guidance

Revenue	4 to 6% sequential improvement
EBITDA	Incrementals in the mid teens

Q3 2018 Notable Achievements

Successful Field Trials of SelectShift™ Adjustable Motor

The motor, which offers the ability to adjust the motor bend setting while downhole, has completed 13 runs, drilled over 45,000 feet and completed 100 motor changes while downhole



EPCI contract awarded for Buoy Turret Loading System

NOV will provide Tullow Oil with an oil offloading system, which will be retrofitted to the Kwame Nkrumah FPSO located in the Jubilee field offshore Ghana.



Completion Tools Portfolio Expands with Dissolvable Plug

A recent installation of NOV's packer-setting system, featuring the latest product from its d-Solve™ dissolvable platform, reduced necessary rig time by six days on average versus traditional packer-setting operations.



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The oilfield's leading equipment and technology provider



37K employees



\$16.5B market capitalization



614 locations



\$8.6B revenue run rate



65 countries



\$980M adjusted EBITDA run rate

Revenue and adjusted EBITDA run rates have been annualized based on Q3 2018 Earnings

Employee headcount and market capitalization recorded as of September 30, 2018. Employee headcount includes both full-time and contingent workers

Appendix



Reconciliation of Adjusted EBITDA to Net Income

(Continued on next page)

	Three Months Ended			Nine Months Ended	
	September 30,		June 30,	September 30,	
	2018	2017	2018	2018	2017
Operating profit (loss):					
Wellbore Technologies	\$ 40	\$ -	\$ 38	\$ 90	\$ (81)
Completion & Production Solutions	46	44	40	102	79
Rig Technologies	58	18	62	138	37
Eliminations and corporate costs	(71)	(69)	(88)	(206)	(201)
Total operating profit (loss)	\$ 73	\$ (7)	\$ 52	\$ 124	\$ (166)
Other items:					
Wellbore Technologies	\$ -	\$ -	\$ -	\$ (3)	\$ (4)
Completion & Production Solutions	-	-	-	3	32
Rig Technologies	-	-	-	6	29
Corporate	-	-	-	(18)	-
Total other items	\$ -	\$ -	\$ -	\$ (12)	\$ 57
Depreciation & amortization:					
Wellbore Technologies	\$ 95	\$ 94	\$ 95	\$ 284	\$ 283
Completion & Production Solutions	53	53	54	161	161
Rig Technologies	20	22	22	63	67
Corporate	4	5	3	11	12
Total depreciation & amortization	\$ 172	\$ 174	\$ 174	\$ 519	\$ 523
Adjusted EBITDA:					
Wellbore Technologies	\$ 135	\$ 94	\$ 133	\$ 371	\$ 198
Completion & Production Solutions	99	97	94	266	272
Rig Technologies	78	40	84	207	133
Eliminations and corporate costs	(67)	(64)	(85)	(213)	(189)
Total adjusted EBITDA	\$ 245	\$ 167	\$ 226	\$ 631	\$ 414

Reconciliation of Adjusted EBITDA to Net Income

	Three Months Ended			Nine Months Ended	
	September 30,		June 30,	September 30,	
	2018	2017	2018	2018	2017
Reconciliation of Adjusted EBITDA:					
GAAP net income (loss) attributable to Company	\$ 1	\$ (26)	\$ 24	\$ (43)	\$ (223)
Noncontrolling interests	3	(1)	1	6	2
Provision (benefit) for income taxes	29	(13)	5	37	(43)
Interest expense	24	26	23	71	77
Interest income	(6)	(11)	(5)	(18)	(19)
Equity (income) loss in unconsolidated affiliate	2	2	1	1	4
Other (income) expense, net	20	16	3	70	36
Depreciation and amortization	172	174	174	519	523
Other items	-	-	-	(12)	57
Total Adjusted EBITDA	\$ 245	\$ 167	\$ 226	\$ 631	\$ 414



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