ModernGraham Valuation

Company Name:

Company Ticker NOV Date of Analysis National-Oilwell Varco, Inc.





Stage 1: Is this company suitable for the Defensive Investor or the Enterprising Investor?

Defensive Investor; must pass 6 out of the following 7 tests.

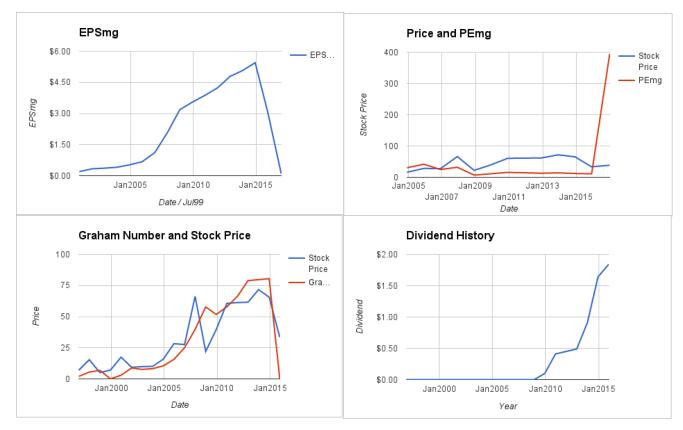
Detensive investor; m	iust pass 6 out of the following 7 tests.			
	1. Adequate Size of the Enterprise	Market Cap > \$2Bil	\$14,699,450,408	Pass
	2. Sufficiently Strong Financial Condition	Current Ratio > 2	3.33	Pass
	3. Earnings Stability	Positive EPS for 10 years prior		Fail
	4. Dividend Record	Dividend Payments for 10 years prior		Fail
		Increase of 33% in EPS in past 10 years using 3 year averages at		
	5. Earnings Growth	beginning and end	-109.20%	Fail
	6. Moderate PEmg Ratio	PEmg < 20	394.32	Fail
	7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	0.97	Pass
Enterprising Investor;	must pass 4 out of the following 5 tests, or be	suitable for the Defensive Investor.		
	1. Sufficiently Strong Financial Condition	Current Ratio > 1.5	3.33	Pass
	2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.53	Pass
	3. Earnings Stability	Positive EPS for 5 years prior		Fail
	4. Dividend Record	Currently Pays Dividend		Pass
	5. Earnings Growth	EPSmg greater than 5 years ago		Fail
Suitability				
	Defensive	Νο		
	Enterprising	No		
Stage 2. Deter	rmination of Intrinsic Value			
Olage 2. Delei	EPSmg	\$0.10		
	MG Growth Estimate	-4.25%		
	MG Value based on 3% Growth	\$3.55		
		\$1.41		
	MG Value based on 0% Growth	\$0.83		
MG Opinion	Market Implied Growth Rate	192.91%		
MG Opinion	Current Price	\$38.38		
	% of Intrinsic Value	1080.96%		
	Opinion	Overvalued		
	MG Grade	D		
		2		
Stage 3: Inform	mation for Further Research			
	Net Current Asset Value (NCAV)	\$3.55		
	Graham Number	\$0.00		
	PEmg	394.32		
	Current Ratio	3.33		
	PB Ratio	0.97		
	Current Dividend	\$1.02		
	Dividend Yield	2.66%		
	Number of Consecutive Years of Dividend Growth	0		

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EPS History		EPSmg History	
Next Fiscal Year			
Estimate		Next Fiscal Year Estimate	\$0.1
Dec2015	-\$1.99	Dec2015	\$3.0
Dec2014	\$5.82	Dec2014	\$5.4
Dec2013	\$5.44	Dec2013	\$5.07
Dec2012	\$5.83	Dec2012	\$4.79
Dec2011	\$4.70	Dec2011	\$4.24
Dec2010	\$3.98	Dec2010	\$3.88
Dec2009	\$3.52	Dec2009	\$3.55
Dec2008	\$4.90	Dec2008	\$3.19
Dec2007	\$3.76	Dec2007	\$2.07
Dec2006	\$1.94	Dec2006	\$1.1
Dec2005	\$0.91	Dec2005	\$0.68
Dec2004	\$0.67	Dec2004	\$0.53
Dec2003	\$0.47	Dec2003	\$0.4
Dec2002	\$0.45	Dec2002	\$0.30
Dec2001	\$0.64	Dec2001	\$0.3
Dec2000	\$0.08	Dec2000	\$0.20
Dec1999	-\$0.07	Balance Sheet Information	9/1/2010
Dec1998	\$0.60	Total Current Assets	\$8,711,000,000
Dec1997	\$0.50	Total Current Liabilities	\$2,615,000,000
Dec1996	\$0.08	Long-Term Debt	\$3,210,000,000
		Total Assets	\$22,194,000,000
		Intangible Assets	\$9,641,000,000
		Total Liabilities	\$7,376,000,000
		Shares Outstanding (Diluted Average)	376,000,000





Disclaimer:

This valuation is not investment advice. Anyone who is considering making an investment decision should speak to a registered investment advisor. The author did not hold a position in any company mentioned in this article at the time of publication and had no intention of changing those holdings within the next 72 hours.

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