



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2018 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	991 627 278
Organisasjonsform:	Norskreg. utenlandsk foretak
Foretaksnavn:	NATIONAL OILWELL VARCO FLUIDCONTROL NORWAY
Forretningsadresse:	Lagerveien 20 4033 STAVANGER

Regnskapsår

Årsregnskapets periode:	01.01.2018 - 31.12.2018
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Konsern

Morselskap i konsern:	Nei
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Regnskapsregler

Regler for små foretak benyttet:	Ja
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Regnskapslovens alminnelige regler

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Jon-André Johansen
Dato for fastsettelse av årsregnskapet:	30.06.2019

Grunnlag for avgivelse

År 2018: Årsregnskapet er elektronisk innlevert
År 2017: Tall er hentet fra elektronisk innlevert årsregnskap fra 2018

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 01.11.2020



Resultatregnskap

Beløp i: NOK	Note	2018	2017
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt		50 450 099	47 964 611
Annen driftsinntekt		188 605	
Sum inntekter		50 638 704	47 964 611
Kostnader			
Varekostnad		18 279 671	18 828 481
Lønnskostnad	2	14 686 163	13 499 100
Avskrivning på varige driftsmidler og immaterielle eiendeler	3	169 420	189 254
Annen driftskostnad		6 586 020	6 236 595
Sum kostnader		39 721 273	38 753 430
Driftsresultat		10 917 431	9 211 181
Finansinntekter og finanskostnader			
Annen finansinntekt		3 344 404	2 381 791
Sum finansinntekter		3 344 404	2 381 791
Annen finanskostnad		2 732 132	2 266 330
Sum finanskostnader		2 732 132	2 266 330
Netto finans		612 272	115 460
Ordinært resultat før skattekostnad		11 529 703	9 326 642
Ordinært resultat etter skattekostnad		11 529 703	9 326 642
Årsresultat		11 529 703	9 326 642
Årsresultat etter minoritetsinteresser		11 529 703	9 326 642
Totalresultat		11 529 703	9 326 642
Overføringer og disponeringer			
Overføringer til/fra annen egenkapital		11 529 703	9 326 642
Sum overføringer og disponeringer		11 529 703	9 326 642



Resultatregnskap

Beløp i: NOK	Note	2018	2017
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Balanse

Beløp i: NOK	Note	2018	2017
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Varige driftsmidler			
Driftsløsøre, inventar, verktøy, kontormaskiner og lignende	3	2 485 386	574 183
Sum varige driftsmidler		2 485 386	574 183
Sum anleggsmidler		2 485 386	574 183
Omløpsmidler			
Varer			
Varer	9	6 531 300	3 293 901
Sum varer		6 531 300	3 293 901
Fordringer			
Kundefordringer	4	8 097 480	7 142 774
Andre fordringer	4	183 321	118 884
Sum fordringer		8 280 802	7 261 658
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	8	30 246 723	26 954 817
Sum bankinnskudd, kontanter og lignende		30 246 723	26 954 817
Sum omløpsmidler		45 058 825	37 510 377
SUM EIENDELER		47 544 211	38 084 560
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Opptjent egenkapital			
Annen egenkapital	5	36 026 970	25 912 111



Balanse

Beløp i: NOK	Note	2018	2017
Sum opptjent egenkapital		36 026 970	25 912 111
Sum egenkapital		36 026 970	25 912 111
Sum langsiktig gjeld		0	0
Kortsiktig gjeld			
Leverandørgjeld	4	5 510 078	7 176 804
Skyldige offentlige avgifter		1 273 419	906 667
Annen kortsiktig gjeld		4 733 743	4 088 978
Sum kortsiktig gjeld		11 517 241	12 172 449
Sum gjeld		11 517 241	12 172 449
SUM EGENKAPITAL OG GJELD		47 544 211	38 084 560



Skattedirektoratet

Saksbehandler	Deres dato	Vår dato
Rune Tystad	04.10.2012	19.10.2012
Telefon	Deres referanse	Vår referanse
977 59 464	79831556	2012/774996

NATIONAL OILWELL VARCO NORWAY AS
Postboks 8181
4069 STAVANGER

Dispensasjon fra kravet om utarbeidelse av årsregnskap og årsberetning på norsk språk for National Oilwell Varco Fluidcontrol Norway, org.nr. 991 627 278

Vi viser til deres brev av 4. oktober 2012 hvor dere søker om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for National Oilwell Varco Fluidcontrol Norway.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering gitt National Oilwell Varco Fluidcontrol Norway dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd.

Dispensasjonen forutsetter at engelsk språk benyttes i stedet ved utarbeidelsen, og at øvrige opplysninger som vedtaket baserer seg på, heller ikke endres vesentlig.

Bakgrunn

Fra søknaden gjengis:

National Oilwell Varco Fluidcontrol Norway leverer produkter innenfor borevæsker og tekniske løsninger innenfor olje- og gass industrien. Selskapet er en norsk avdeling av National Oilwell Varco LP lokalisert i Houston Texas, USA, og inngår i NOV konsernet som er notert på børsen i New York i USA.

Konsernets arbeidsspråk er engelsk. Konsernet opererer i sektorer der engelsk er det klart dominerende språket. Den norske avdelingens eier er et utenlandsk selskap, og all kommunikasjon med konsernets primære kunder og kreditorer foregår på engelsk, herunder oversendes et oversatt engelsk regnskap til disse.

Skattedirektoratets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal "årsregnskapet og årsberetningen ... være på norsk. Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap m.v., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

"Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives,

Postadresse	Besøksadresse	Sentralbord
Postboks 9200 Grønland	Se www.skatteetaten.no	800 80 000
0134 Oslo	Org. nr: 996250318	Telefaks
For elektronisk henvendelse se www.skatteetaten.no		22 17 08 60



f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut speulasjonsgevinster med basis i skjevt fordelt informasjon.”

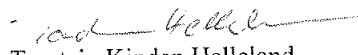
Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til “*informative regnskaper for ulike grupper av regnskapsbrukere*”. Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

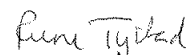
Det er etter Skattedirektoratets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt vekt på at avdelingens virksomhet er i en sektor der engelsk er det klart dominerende språket og at arbeidsspråket er engelsk. Videre er det vektlagt at avdelingen eies av et utenlandsk selskap.

Vennligst oppgi vår referanse ved henvendelser i anledning saken.

Med hilsen


Torstein Kinden Helleland
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet


Rune Tystad



NOV FluidControl Norway NUF
(NO 991 627 278 MVA)

ANNUAL REPORT

2018



Profit and Loss Statement

National Oilwell Varco Fluidcontrol Norway NUF

Operating income and operating expenses	Note	2018	2017
Revenue		50 450 099	47 964 611
Other operating income		188 605	0
Total operating income		<u>50 638 704</u>	<u>47 964 611</u>
Cost of materials		18 279 671	18 828 481
Personnel expenses	2	14 686 163	13 499 100
Depreciation of operating and intangible assets	3	169 420	189 254
Other operating expenses		6 586 020	6 236 595
Total operating expenses		<u>39 721 273</u>	<u>38 753 430</u>
Operating profit		<u>10 917 431</u>	<u>9 211 181</u>
Financial income and expenses			
Other financial income		3 344 404	2 381 791
Other financial expenses		2 732 132	2 266 330
Net financial items		<u>612 272</u>	<u>115 460</u>
Operating result before tax		11 529 703	9 326 642
Ordinary result after tax		<u>11 529 703</u>	<u>9 326 642</u>
Annual net profit		<u>11 529 703</u>	<u>9 326 642</u>
Brought forward			
Allocated to other equity		11 529 703	9 326 642
Net brought forward		<u>11 529 703</u>	<u>9 326 642</u>

**Balance sheet**

National Oilwell Varco Fluidcontrol Norway NUF

Assets	Note	2018	2017
Fixed assets			
Tangible assets			
Equipment and other movables	3	2 485 386	574 183
Total tangible assets		<u>2 485 386</u>	<u>574 183</u>
Total fixed assets		<u>2 485 386</u>	<u>574 183</u>
Current assets			
Inventories	9	6 531 300	3 293 901
Debtors			
Accounts receivables	4	8 097 480	7 142 774
Other short-term receivables	4	183 321	118 884
Total receivables		<u>8 280 802</u>	<u>7 261 658</u>
Cash and bank deposits	8	30 246 723	26 954 817
Total current assets		<u>45 058 825</u>	<u>37 510 377</u>
Total assets		<u>47 544 211</u>	<u>38 084 560</u>

**Balance sheet**

National Oilwell Varco Fluidcontrol Norway NUF

Equity and liabilities	Note	2018	2017
Retained earnings			
Other equity	5	36 026 970	25 912 111
Total retained earnings		<u>36 026 970</u>	<u>25 912 111</u>
Total equity		<u>36 026 970</u>	<u>25 912 111</u>
Liabilities			
Current debt			
Trade creditors	4	5 510 078	7 176 804
Public duties payable		1 273 419	906 667
Other current debt		4 733 743	4 088 978
Total current debt		<u>11 517 241</u>	<u>12 172 449</u>
Total liabilities		<u>11 517 241</u>	<u>12 172 449</u>
Total equity and liabilities		<u>47 544 211</u>	<u>38 084 560</u>

Stavanger, 30.06.2019
for National Oilwell Varco Fluidcontrol Norway NUF

Jon-André Johansen



Note 1 - Accounting Principles

The entity is registered as a Norwegian Registered Foreign Company. The entity is a branch of National Oilwell Varco L.P, Houston, USA. The financial statement has been prepared in accordance with the Accounting Act and generally accepted accounting principles for small companies.

Principles for assessment and classification of assets and liabilities

Assets intended for permanent ownership or use are classified as fixed assets. Other assets are classified as current assets. Receivables due within one year are classified as current assets. The same criteria are used in the classification of current and non-current liabilities.

Assets are recorded at cost and are written down to fair value if impairment is not expected to be temporary. Fixed assets with a limited useful life are depreciated. Current assets are valued at the lower of cost and net realizable value. Other non-current and current liabilities are valued at nominal. Some items are valued by other principles, as explained below.

Fixed assets

Fixed assets are capitalized and depreciated over the useful life if this is longer than 3 years and has a cost higher than 15 000 NOK. Direct maintenance costs are expensed as incurred, while improvements are added to the acquisition cost and depreciated along with the asset.

Inventories

Inventories of goods are valued at the lower of cost on a FIFO basis and net realizable value. Depreciation is made of estimated obsolescence.

Receivables

Trade and other receivables are recorded at nominal value less a provision for doubtful debts. Provision is based on an individual assessment of each receivable. In addition, for other receivables, a general provision is made to cover expected losses.

Currency

Monetary items denominated in foreign currencies are calculated at exchange rates at the balance sheet date. Transactions in foreign currencies are generally calculated at the exchange rate in the current period.

Pensions

The company has defined contribution schemes, which are expensed in accordance with premium payments.

Revenue

Revenue from sale of goods is recognized upon delivery. For projects the company uses the completed contract method and recognize revenue and related cost in the period where NOV completes its obligations to its customers according to generally accepted accounting principles for small companies.

Financial market risk

The entity is exposed to currency fluctuations in that part of the sales revenue and cost of goods are denominated in foreign currency (mainly USD). The entity has in 2018 not used hedging instruments.



Note 2 - Salaries, number of employees, allowances, loans to employees

Wage costs:	2018	2017
Salary	11 775 792	10 566 408
Social security expenses	1 825 240	1 685 399
Pension	786 449	826 989
Other benefits	298 682	420 304
Sum wage costs	14 686 163	13 499 100

Full time equivalent	15	14
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Allowances

There is no paid wages or other remuneration to the General Manager from this company. He is employed by another company within the NOV Group.

Auditor

Audit fees for 2018 amounts to NOK 224 380 exclusive vat.

Note 3 - Fixed assets

	Machinery and equipment
Cost 01.01.2018	26 457 382
Additions during the year	2 423 298
Disposals this year	-3 403 913
Cost 31.12.2018	25 476 767
Acc. depreciation 01.01.2018	25 883 199
Ordinary depreciation	169 420
Disposals this year	-3 061 238
Acc. depreciation 31.12.2018	22 991 381
Book value 31.12.2018	2 485 386
	3-10 years

Note 4 - Balances with group companies

	2018	2017
Receivables		
Trade receivables	1 312 498	826 846
Liabilities		
Accounts payable	7 260 610	5 700 740



Note 5 - Equity

	Other equity
Equity pr. 31.12.2017	25 912 111
Distributions to owners	-1 414 844
Net profit	11 529 703
Equity pr. 31.12.2018	<u>36 026 970</u>

Note 6 - Entity structure and taxation

The entity is a Norwegian Registered Foreign Company and a branch of a Limited Partners company (LP) with the following 2 partners:

- NOV TV2 LLC (99,99 %)
- NOW Oilfield Services LLC (0,01 %)

Therefore the company's profit will be taxed as part of the tax treatment of each of the participating companies. The taxable income of the entity is 10 601 590 NOK.

Note 7 Pension Liabilities

The entity has an arrangement for occupational pension that meets the requirements of the Norwegian Accounting Act § 7-30a.

Note - 8 Bank deposits

There are no restrictions on bank deposits. Withheld tax are secured by a bank guarantee of NOK 1 300 000.

Note - 9 Inventory

	2018	2017
Finished goods for resale	7 390 660	5 474 187
Work in progress/ purch. to be rebilled	1 273 029	0
Inventory reserve	-2 132 390	-2 180 285
Total inventory	6 531 300	3 293 901

The inventory reserve is calculated based on aging of the finished goods the company has for resale.

Work in progress is added to the inventory amount with the above mentioned amounts. In the financial statements for earlier years this was classified as a reduction of other short term liabilities. The balance for previous year have been changed in order to make the numbers comparable.



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Statsautoriserte revisorer
Ernst & Young AS

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Postboks 8015, NO-4068 Stavanger

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www.ey.no
Medlemmer av Den norske revisorforening

INDEPENDENT AUDITOR'S REPORT

To the management of National Oilwell Varco Fluidcontrol Norway NUF

Report on the audit of the financial statements

Opinion

We have audited the financial statements of National Oilwell Varco Fluidcontrol Norway NUF, which comprise the balance sheet as at 31 December 2018, the income statement for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements have been prepared in accordance with laws and regulations and present fairly, in all material respects, the financial position of the Company as at 31 December 2018 and its financial performance for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for opinion

We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Norway, and we have fulfilled our ethical responsibilities as required by law and regulations. We have also complied with our other ethical obligations in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with law, regulations and generally accepted auditing principles in Norway, including ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from



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2

- fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- ▶ obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
 - ▶ evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
 - ▶ conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
 - ▶ evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

Opinion on registration and documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements (ISAE) 3000, *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, it is our opinion that management has fulfilled its duty to ensure that the Company's accounting information is properly recorded and documented as required by law and bookkeeping standards and practices accepted in Norway.

Stavanger, 1 July 2019
ERNST & YOUNG AS


Jan Kvalvik
State Authorised Public Accountant (Norway)