NATIONAL OILWELL VARCO INC
Form 424B5
November 16, 2012
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Filed pursuant to Rule 424(b)(5)
Registration No. 333-184953

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Maximum Aggregate Offering Price	Amount of Registration Fee(1)
1.35% Senior Notes due 2017	$ 499,515,000	$ 68,134
2.60% Senior Notes due 2022	$1,394,960,000	$190,273
3.95% Senior Notes due 2042	$1,095,765,000	$149,463

(1) Calculated in accordance with Rule 457(r) of the Securities Act of 1933, as amended.

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PROSPECTUS SUPPLEMENT
(To Prospectus Dated November 15, 2012)

NATIONAL OILWELL VARCO, INC.

$3,000,000,000

$500,000,000 1.35% SENIOR NOTES DUE 2017

$1,400,000,000 2.60% SENIOR NOTES DUE 2022

$1,100,000,000 3.95% SENIOR NOTES DUE 2042

National Oilwell Varco, Inc. is offering $500,000,000 aggregate principal amount of 1.35% senior notes due 2017 (the 2017 notes), $1,400,000,000 aggregate principal amount of 2.60% senior notes due 2022 (the 2022 notes) and $1,100,000,000 aggregate principal amount of 3.95% senior notes due 2042 (the 2042 notes and, together with the 2017 notes and the 2022 notes, the notes). The 2017 notes will mature on December 1, 2017, the 2022 notes will mature on December 1, 2022, and the 2042 notes will mature on December 1, 2042.

The 2017 notes will bear interest at the rate of 1.35% per year, the 2022 notes will bear interest at the rate of 2.60% per year, and the 2042 notes will bear interest at the rate of 3.95% per year. We will pay interest on each series of notes on June 1 and December 1 of each year, beginning on June 1, 2013.

We may redeem some or all of the notes at any time at the applicable redemption prices described in this prospectus supplement under the caption Description of Notes Optional Redemption .

The notes will be our senior, unsecured obligations and will rank equally in right of payment with all of our existing and future unsubordinated debt. The notes will be effectively subordinated to any of our secured indebtedness, to the extent of the value of the assets securing such indebtedness, unless the notes become equally and ratably secured by those assets. The notes will also be structurally subordinated to all existing and future indebtedness and other liabilities of our subsidiaries.

The notes will be issued only in registered book-entry form, in denominations of $2,000 and integral multiples of $1,000 in excess thereof. Each series of notes is a new issue of securities with no established trading market. We do not intend to apply for listing of any series of the notes on any securities exchange.

Investing in the notes involves risks. See Risk Factors beginning on page S-5 of this prospectus supplement.

	Per 2017 Note	Total	Per 2022 Note	Total	Per 2042 Note	Total
Public offering price (1)	99.903%	$499,515,000	99.640%	$1,394,960,000	99.615%	$1,095,765,000
Underwriting discount	0.600%	$3,000,000	0.650%	$9,100,000	0.875%	$9,625,000
Proceeds, before expenses, to National Oilwell Varco, Inc.	99.303%	$496,515,000	98.990%	$1,385,860,000	98.740%	$1,086,140,000

(1) Plus accrued interest from November 20, 2012 if settlement occurs after that date.

None of the Securities Exchange Commission, any state securities commission, or any other regulatory body has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

We expect delivery of the notes will be made to investors on or about November 20, 2012 in book-entry form through The Depository Trust Company for the account of its participants, including Euroclear Bank S.A./N.V., as operator of the Euroclear System, and Clearstream Banking, société anonyme.

Joint Book-Running Managers

Barclays **J.P. Morgan** **Wells Fargo Securities**

DNB Markets **Lloyds Securities** **Mitsubishi UFJ Securities**

Co-Managers

Fifth Third Securities, Inc. **PNC Capital Markets LLC** **Scotiabank**

SEB **UniCredit Capital Markets** **US Bancorp**

The date of this prospectus supplement is November 15, 2012.

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Prospectus Supplement

Prospectus

You should rely only on the information contained in or incorporated by reference in this prospectus supplement, the accompanying prospectus and any related free writing prospectus filed by us with the Securities and Exchange Commission, or SEC . We have not, and the underwriters have not, authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it.

We are not, and the underwriters are not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted or to any person to whom it is unlawful to make such an offer.

You should not assume that the information appearing in this prospectus supplement, the accompanying prospectus, any related free writing prospectus or any document incorporated by reference is accurate as of any date other than the date of the applicable document. Our business, financial condition, results of operations and prospects may have changed since those respective dates.

U.S. Bank National Association, in each of its capacities referenced herein, including but not limited to trustee, securities registrar and paying agent, has not participated in the preparation of this prospectus supplement and assumes no responsibility for its content.

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ABOUT THIS PROSPECTUS SUPPLEMENT

This document is in two parts. The first is this prospectus supplement, which describes the specific terms of this offering, the notes and matters relating to us. The second part, the accompanying prospectus dated November 15, 2012, gives more general information, some of which does not apply to this offering. Please carefully read this prospectus supplement, the accompanying prospectus and any related free writing prospectus issued by us, in addition to the information contained in the documents we refer to under the headings Where You Can Find More Information and Incorporation of Certain Information by Reference .

If the description of this offering and the notes varies between this prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement.

References in this prospectus supplement and the accompanying prospectus to National Oilwell Varco , NOV , the Company , we , us and ou to National Oilwell Varco, Inc. and its subsidiaries, unless the context otherwise requires.

WHERE YOU CAN FIND MORE INFORMATION

We file periodic reports and other information with the SEC. The registration statement, the reports and other information we file with the SEC can be inspected and copied at the Public Reference Room of the SEC located at 100 F Street, N.E., Washington D.C. 20549. Copies of such materials can be obtained from the Public Reference Room of the SEC at prescribed rates. You can call the SEC at 1-800-SEC-0330 to obtain information on the operation of the Public Reference Room. Such materials may also be accessed electronically through the SEC s website at http://www.sec.gov.

You may also access these materials through our website at http://www.nov.com. The contents of our website are not part of this prospectus supplement, and the reference to our website does not constitute incorporation by reference into this prospectus supplement or the accompanying prospectus of the information contained at that site.

This prospectus supplement and the accompanying prospectus are part of a registration statement on Form S-3 that we filed with the SEC to register the securities offered hereby under the Securities Act of 1933, as amended (the Securities Act). This prospectus supplement and the accompanying prospectus do not contain all of the information included in the registration statement, including the exhibits to the registration statement. You may obtain the registration statement and the exhibits to the registration statement in any manner noted above.

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INCORPORATION OF CERTAIN INFORMATION BY REFERENCE

The SEC allows us to incorporate by reference into this prospectus supplement and accompanying prospectus certain information we have filed with the SEC, which means that we can disclose important information to you without including the specific information in this prospectus supplement and accompanying prospectus by referring you to those documents. The information incorporated by reference is an important part of this prospectus supplement and accompanying prospectus and information that we file later with the SEC will automatically update and supersede this information. We incorporate by reference into this prospectus supplement the documents listed below and any future filings we make with the SEC under Sections 13(a), 13(c), 14, or 15(d) of the Securities Exchange Act of 1934, as amended (the Exchange Act), until the offer and sale of the notes under this prospectus supplement is completed, in each case other than information furnished to the SEC which is not deemed filed under the Exchange Act:

- our Annual Report on Form 10-K for year ended December 31, 2011;
- our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2012, June 30, 2012 and September 30, 2012; and
- our Current Reports on Form 8-K filed with the SEC on February 2, 2012, February 24, 2012, April 25, 2012, May 16, 2012, July 26, 2012, October 1, 2012 and October 25, 2012.

You may request a copy of these filings, any amendments and exhibits thereto at no cost, by writing or telephoning us at the following address:

7909 Parkwood Circle Drive

Houston, Texas 77036-6565

(713) 346-7500

Attention: Corporate Secretary

CAUTIONARY NOTICE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus supplement, the accompanying prospectus and the documents incorporated by reference contain forward-looking statements and information intended to qualify for the safe harbors from liability established by the Private Securities Litigation Reform Act of 1995. All such statements other than statements of historical fact contained in this document are forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. Words such as anticipate , project , expect , plan , goal , forecast , intend , cou may , and similar expressions and statements regarding our plans and objectives for future operations are intended to identify forward-looking statements. However, the absence of these words does not mean that the statements are not forward-looking.

Forward-looking statements reflect our beliefs and expectations based on information currently available to us. While we believe these expectations, and the assumptions upon which they are based, are reasonable, these statements are subject to numerous risks and uncertainties, and there can be no assurance that future developments affecting us will be those that we anticipate, that they will occur or what impact they will have on our operations or financial condition. Future results and performance may differ materially from those expressed in the forward-looking statements. The following factors, among others, including those discussed in the Risk Factors sections of this prospectus supplement and in the documents incorporated by reference, could cause actual results to differ materially from those described in the forward-looking statements:

- the level of activity in the oil and gas industry;
- the volatility of oil and gas prices;

the worldwide financial and credit crisis;

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- the effects of competition;
- our ability to identify strategic acquisitions at reasonable prices and to successfully close such acquisitions, and our ability to integrate the acquired operations with our own;
- political or economic instability, currency restrictions, and trade and economic sanctions in the countries in which we and our customers operate;
- market risk from changes in foreign currency exchange rates;
- the impact of current and future laws and governmental regulations, including tax and accounting developments;
- the effect of environmental or other liabilities that are not covered by an effective indemnity or insurance;
- the impact of general, market, industry or business conditions on us and our customers;
- interruptions to our information technology systems, including as a result of cyber attacks; and
- unfavorable results of litigation and the fruition of contingencies referred to in the notes to the financial statements incorporated by reference in this prospectus supplement.

Forward-looking statements speak only as of the date they were made. Except as required by the federal securities laws, we do not undertake any obligation to update these forward-looking statements after the date of this prospectus supplement. You should not place undue reliance on any forward-looking statements when making an investment decision.

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SUMMARY

This summary highlights information contained elsewhere, or incorporated by reference, in this prospectus supplement and the accompanying prospectus. This summary does not contain all of the information that you should consider before investing in the notes offered hereby. You should read carefully this entire prospectus supplement, the accompanying prospectus, the documents incorporated by reference and any related free writing prospectus filed by us, including the Risk Factors and Cautionary Notice Regarding Forward-Looking Statements sections of this prospectus supplement, as well as the Risk Factors section of our Annual Report on Form 10-K for the year ended December 31, 2011 (our 2011 Annual Report), which is incorporated by reference herein, before making an investment decision.

Overview

National Oilwell Varco is a leading worldwide provider of equipment and components used in oil and gas drilling and production operations, oilfield services, and supply chain integration services to the upstream oil and gas industry. The Company conducts operations in over 900 locations across six continents. The Company has a long tradition of pioneering innovations which improve the cost-effectiveness, efficiency, safety and environmental impact of oil and gas operations. The Company operates through three reporting segments: Rig Technology, Petroleum Services & Supplies, and Distribution & Transmission.

We are a Delaware corporation incorporated in 1995. Our principal executive offices are located at 7909 Parkwood Circle Drive, Houston, Texas 77036, its telephone number is (713) 346-7500, and its website address is http://www.nov.com. The Company s common stock is traded on the New York Stock Exchange under the symbol NOV . The contents of our website are not part of this prospectus supplement, and the reference to our website does not constitute incorporation by reference into this prospectus supplement or the accompanying prospectus of the information contained at that site.

Recent Developments

Pending Acquisition of Robbins & Myers, Inc.

On August 8, 2012, we and Robbins & Myers, Inc. (Robbins & Myers) entered into an agreement pursuant to which we will acquire Robbins & Myers in an all cash transaction that values Robbins & Myers at approximately $2.5 billion (the Robbins & Myers Acquisition). Robbins & Myers is a leading supplier of engineered, application-critical equipment and systems for global energy, chemical and other industrial markets. Robbins & Myers provides products and services for upstream oil and gas markets along with a portfolio of industrial process and flow control products.

We intend to use a portion of the net proceeds of this offering to fund the Robbins & Myers Acquisition. See Use of Proceeds in this prospectus supplement. The parties obligations to consummate the Robbins & Myers Acquisition are conditioned upon the satisfaction or waiver of various closing conditions, including approval of the Robbins & Myers Acquisition by Robbins & Myers shareholders and the expiration or termination of the waiting period under the Hart Scott Rodino Antitrust Improvements Act of 1976, as amended (the HSR Act). We currently expect that the closing will occur in the fourth quarter of 2012. However, the closing could be delayed until the first quarter of 2013 depending on when the review under the HSR Act is completed. This offering is not conditioned on the consummation of the Robbins & Myers Acquisition.

New Credit Agreement

On September 28, 2012, we entered into a credit agreement evidencing a five year unsecured revolving credit facility (the Credit Agreement) with Wells Fargo Bank, N.A., as administrative agent, the other agents named therein, and the lenders parties thereto (the 2012 Facility), pursuant to which we may borrow an aggregate principal amount of up to $3.5 billion. The 2012 Facility will be used for working capital and general corporate purposes. Borrowings under the 2012 Facility bear interest at the rates specified in the Credit Agreement, and the Credit Agreement contains customary covenants, including a leverage ratio covenant. We have the right to increase the aggregate commitments under the 2012 Facility to an aggregate amount of up to $4.5 billion upon the consent of only those lenders holding any such increase.

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The Offering

Issuer	National Oilwell Varco, Inc.
Securities Offered	$500,000,000 aggregate principal amount of 1.35% Senior Notes due 2017.
	$1,400,000,000 aggregate principal amount of 2.60% Senior Notes due 2022.
	$1,100,000,000 aggregate principal amount of 3.95% Senior Notes due 2042.
Maturity Date	2017 notes December 1, 2017.

2022 notes December 1, 2022.

2042 notes December 1, 2042.

Interest Rate	2017 notes 1.35% per annum.
	2022 notes 2.60% per annum.
	2042 notes 3.95% per annum
Interest Payment Dates	June 1 and December 1 of each year, beginning on June 1, 2013.
Ranking	The notes of each series will:

be our senior unsecured obligations;

rank equally in right of payment with all our other existing and future unsubordinated debt, including the notes of the other series and any other series of debt securities issued under the indenture relating to the notes;

effectively rank junior to (i) any of our secured debt, to the extent of the value of the collateral securing that debt, and (ii) all existing and future indebtedness and other liabilities of our subsidiaries; and rank senior in right of payment to all of our future subordinated debt.

As of September 30, 2012, we had approximately $1.5 billion of consolidated indebtedness outstanding, none of which was secured. As of September 30, 2012, our subsidiaries had approximately $13.9 million of outstanding indebtedness, consisting primarily of capital leases, and approximately $7.4 billion of other liabilities, including trade payables, accrued compensation and income taxes payable.

The indenture does not limit the amount of unsecured debt that we may incur.

Optional Redemption

At any time prior to their maturity, in the case of the 2017 notes, at any time prior to September 1, 2022 (the date that is three months prior to the maturity date of the 2022 notes), in the case of the 2022 notes, and at any time prior to June 1, 2042 (the date that is six months prior to the maturity date of the 2042 notes), in the case of the 2042 notes, we may redeem some or all of such

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notes at the redemption price equal to 100% of the principal amount of the notes redeemed plus a make-whole premium, which is described in this prospectus supplement.

At any time on or after September 1, 2022 (the date that is three months prior to the maturity date of the 2022 notes), in the case of the 2022 notes, and at any time on or after June 1, 2042 (the date that is six months prior to the maturity date of the 2042 notes), in the case of the 2042 notes, we may redeem some or all of such notes at the redemption price equal to 100% of the principal amount of the notes redeemed.

In each case, we also will pay accrued and unpaid interest, if any, to, but excluding, the redemption date.

For a more complete description of the optional redemption provisions of the notes, please read Description of Notes Optional Redemption .

Certain Covenants

The covenants in the indenture relating to the notes include limitations on, among other things, our ability to incur or place liens on our principal assets and those of our subsidiaries without securing the notes equally and ratably with the other indebtedness secured by such liens and to engage in certain sale-leaseback transactions, in each case subject to exceptions. The indenture also includes requirements that must be met if we consolidate or merge with, or sell, convey, transfer or lease all or substantially all of our assets to, another entity. See Description of the Notes Certain Covenants .

Use of Proceeds

We intend to use approximately $2.5 billion of the net proceeds from the sale of the notes to fund a portion of the purchase price for the Robbins & Myers Acquisition. The remaining net proceeds will be used for other general corporate purposes. If we do not consummate the Robbins & Myers Acquisition or the consummation of the Robbins & Myers Acquisition is delayed until the first quarter of 2013, the net proceeds intended to be used to fund such acquisition will be used for other general corporate purposes, including the funding of ongoing operations and other acquisitions by us. See Use of Proceeds in this prospectus supplement.

Risk Factors

Investing in the notes involves risks. You should carefully consider the information discussed under the headings Risk Factors and Cautionary Notice Regarding Forward-Looking Statements in this prospectus supplement in addition to the risks discussed under the heading Risk Factors in our 2011 Annual Report and all other information included in this prospectus supplement and the accompanying prospectus and the documents incorporated by reference herein before investing in the notes.

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Book-Entry, Delivery and Form	The notes of each series will be represented by one or more permanent global certificates in fully registered form deposited with a custodian for, and registered in the name of, a nominee of The Depository Trust Company.
Governing Law	The indenture and the notes will be governed by, and construed in accordance with, the laws of the State of New York.
Trustee	U.S. Bank National Association.

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RISK FACTORS

Investing in the notes involves risks. You should carefully consider the risk factors described below and incorporated by reference into this prospectus supplement, including the risk factors identified in Part I, Item 1A Risk Factors of our 2011 Annual Report, in addition to the other information included or incorporated by reference into this prospectus supplement and the accompanying prospectus before making an investment in the notes. Realization of any of these or the following risks, or adverse results from any factors listed under Cautionary Notice Regarding Forward-Looking Statements , could materially and adversely affect our business, financial condition, cash flows or results of operations. In that case, the trading price of the notes could decline, and you could lose all or part of your investment.

Risks Relating to the Notes

Our financial condition is dependent on the earnings of our subsidiaries.

We are a holding company and our assets consist primarily of direct and indirect ownership interests in, and our business is conducted substantially through, our subsidiaries. We rely primarily on dividends or other distributions from our subsidiaries to meet our obligations for payment of principal and interest on our outstanding debt obligations and corporate expenses. Consequently, our ability to repay our debt, including the notes, depends on the earnings of our subsidiaries, as well as our ability to receive funds from our subsidiaries through dividends or other payments or distributions. The ability of our subsidiaries to pay dividends, repay intercompany debt or make other advances to us is subject to restrictions imposed by applicable laws (including bankruptcy laws), tax considerations and the terms of agreements governing our subsidiaries. Our foreign subsidiaries in particular may be subject to currency controls, repatriation restrictions, withholding obligations on payments to us, and other limits. If we do not receive such funds from our subsidiaries, we may be unable to pay interest or principal on the notes when due.

The notes will be effectively junior to all secured indebtedness unless they are entitled to be equally and ratably secured.

The notes are our senior unsecured obligations and rank equally with all our other unsecured indebtedness. The notes also will be effectively subordinated to any secured debt we may incur in the future to the extent of the value of the assets securing such debt. Although the indenture with respect to the notes limits our ability to incur secured debt, if we default on the notes, become bankrupt, liquidate or reorganize, any secured creditors could use our assets securing their debt to satisfy their secured debt before you would receive any payment on the notes. If the value of the collateral is not sufficient to pay any secured debt in full, our secured creditors would share the value of our other assets, if any, with you and the holders of other claims against us that rank equally with the notes. As of September 30, 2012, we had approximately $1.5 billion of consolidated indebtedness outstanding, none of which was secured.

Because we are a holding company, the notes are structurally subordinated to all of the indebtedness of our subsidiaries.

The notes are our general unsecured obligations and are not guaranteed by any of our subsidiaries. We are a legal entity separate and distinct from our subsidiaries, and holders of the notes will be able to look only to us for payments on the notes. In addition, because we are a holding company, our right to participate in any distribution of assets of any subsidiary upon its liquidation or reorganization or otherwise, and the ability of holders of the notes to benefit indirectly from that kind of distribution, is subject to the prior claims of creditors of that subsidiary, except to the extent that we are recognized as a creditor of that subsidiary. All obligations of our subsidiaries will have to be satisfied before any of the assets of such subsidiaries would be available for distribution, upon a liquidation or otherwise, to us. Excluding intercompany liabilities, as of September 30, 2012, our subsidiaries had approximately $13.9 million of indebtedness, consisting primarily of capital leases, and approximately $7.4 billion of other liabilities, which includes trade payables, accrued compensation and income taxes payable. We also have joint ventures and subsidiaries in which we own less than 100% of the equity so that, in addition to the structurally senior claims of creditors of those entities, the equity interests of our joint venture partners or other shareholders in any dividend or other distribution made by these entities would need to be satisfied on a proportionate basis with us. These joint ventures and less than wholly owned subsidiaries may also be subject to restrictions on their ability to distribute cash to us in their financing or other agreements and, as a result, we may not be able to access their cash flow to service our debt obligations, including in respect of the notes. Accordingly, the notes are structurally subordinated to all existing and future liabilities of our subsidiaries and all liabilities of any of our future subsidiaries.

The notes do not restrict our ability to incur additional unsecured debt or to take other actions that could negatively impact holders of the notes.

Neither we nor our subsidiaries are restricted under the terms of the notes from incurring additional unsecured debt. In addition, the limited covenants applicable to the notes do not require us or our subsidiaries to achieve or maintain any minimum financial results relating to our financial position or results of operations. Further, the indenture does not contain provisions that would afford holders of the notes protection in the event of a sudden and significant decline in our credit quality or a takeover, recapitalization or highly leveraged or similar transaction. Our ability and the ability of our subsidiaries to recapitalize, incur additional debt and take a number of other actions that are not limited by the terms of the notes could adversely affect our capital structure or credit rating or have the effect of diminishing our ability to make payments on the notes when due. In addition, neither we nor our subsidiaries are restricted by the terms of the notes from repurchasing common stock or any subordinated indebtedness that we may incur in the future.

There is no established trading market for any series of the notes and you may not be able to sell the notes.

Each series of notes is a new issue of securities with no established trading market. Although the underwriters may make a market in the notes of each series, they are not obligated to do so and any of their market making activities may be terminated or limited at any time. We do not intend to apply for listing of any series of the notes on any securities exchange or for quotation on any automated dealer quotation system. Accordingly, we cannot assure you as to the liquidity of any market that may develop for any series of the notes, the ability of holders of the notes to sell their notes or the prices at which their notes could be sold. The liquidity of any market for any series of the notes will depend on the number of holders of those notes, the interest of securities dealers in making a market in those notes and other factors. Further, if markets were to develop, the market prices for the notes may be adversely affected by changes in our financial performance, changes in the overall market for similar securities and performance or prospects for companies in our industry.

Our credit ratings may not reflect all risks of your investment in the notes.

The credit ratings assigned to the notes are limited in scope and do not address all material risks relating to an investment in the notes, but rather reflect only the view of each rating agency at the time the rating is issued. There can be no assurance that such credit ratings will remain in effect for any given period of time or that a rating will not be lowered, suspended or withdrawn entirely by the applicable rating agencies, if, in such rating agency s judgment, circumstances so warrant. Agency credit ratings are not a recommendation to buy, sell or hold any security. Each agency s rating should be evaluated independently of any other agency s rating. Actual or anticipated changes or downgrades in our credit ratings, including any announcement that our ratings are under review for a downgrade, could affect the market value of the notes and increase our corporate borrowing costs. Neither we, the trustee nor any underwriter undertakes any obligation to maintain the ratings or to advise holders of notes of any change in ratings.

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USE OF PROCEEDS

We estimate that the aggregate net proceeds from the sale of the notes will be approximately $2.965 billion after deducting the underwriting discount and all estimated offering expenses that are payable by us.

We intend to use approximately $2.5 billion of the net proceeds from the sale of the notes to fund a portion of the purchase price for the Robbins & Myers Acquisition, which we currently expect to close in fourth quarter of 2012. The remaining net proceeds will be used for other general corporate purposes. If we do not consummate the Robbins & Myers Acquisition or the consummation of the Robbins & Myers Acquisition is delayed until the first quarter of 2013, the net proceeds intended to be used to fund such acquisition will be used for other general corporate purposes, including the funding of ongoing operations and other acquisitions by us.

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CAPITALIZATION

The following table sets forth our unaudited consolidated cash and cash equivalents and our unaudited consolidated capitalization as of September 30, 2012 (i) on a historical basis and (ii) as adjusted to give effect to this offering and the application of the estimated net proceeds of this offering in the manner described under Use of Proceeds in this prospectus supplement. In addition to the section captioned Use of Proceeds , you should read the data set forth in the table below in conjunction with our Management s Discussion and Analysis of Financial Condition and Results of Operations incorporated by reference into this prospectus supplement from our 2011 Annual Report, our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2012, June 30, 2012 and September 30, 2012, and our financial statements and the accompanying notes incorporated by reference into this prospectus supplement. See Where You Can Find More Information and Incorporation of Certain Information by Reference .

	As of September 30, 2012	
	Historical	**As Adjusted**
	(In millions of dollars)	
Cash and equivalents	$ 1,702	$ 2,167
Long-term debt:		
5.65% Senior Notes due 2012 (1)	200	200
5.5% Senior Notes due 2012 (1)	150	150
6.125% Senior Notes due 2015	151	151
1.35% Senior Notes due 2017 offered hereby		500
2.60% Senior Notes due 2022 offered hereby		1,400
3.95% Senior Notes due 2042 offered hereby		1,100
Revolving credit facility	1,015	1,015
Other	13	13
Total long-term debt	1,529	4,529
Stockholders equity:		
Common stock - par value $.01 per share; 1 billion shares authorized; 426,879,173 shares issued and outstanding at September 30, 2012	4	4
Additional paid-in capital	8,718	8,718
Accumulated other comprehensive income	79	79
Retained earnings	10,773	10,773
Total Company stockholders equity	19,574	19,574
Noncontrolling interests	109	109
Total stockholders equity	19,683	19,683
Total capitalization	$ 21,212	$ 24,212

(1) The Company retired its 5.65% Senior Notes due 2012 and its 5.5% Senior Notes due 2012 on November 15, 2012, using available cash-on-hand and borrowing under the Company s revolving credit facility.

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DESCRIPTION OF NOTES

We will issue each series of the notes under an indenture (which we refer to as the base indenture) to be entered into between us and U.S. Bank National Association, as trustee (which we refer to as the trustee), as amended and supplemented pursuant to a supplemental indenture applicable to each series of notes. We refer to the base indenture, as amended and supplemented pursuant to a supplemental indenture applicable to each series of notes offered hereby, as the indenture . The terms of the notes include those stated in the indenture and those made part of the indenture by reference to the Trust Indenture Act of 1939 (the Trust Indenture Act). We urge you to read the indenture because it, not the summaries below, defines your rights. We have filed a form of the indenture as an exhibit to the registration statement of which this prospectus supplement and the accompanying prospectus are a part.

The registered holder of a note will be treated as the owner of it for all purposes. Only registered holders will have rights under the indenture.

General

The notes of each series will:

- be our senior unsecured obligations;
- rank equally in right of payment with all our other existing and future unsubordinated debt, including the notes of the other series and any other series of debt securities issued under the indenture relating to the notes;
- effectively rank junior to (i) any of our secured debt, to the extent of the value of the collateral securing that debt, and (ii) all existing and future indebtedness and other liabilities of our subsidiaries; and
- rank senior in right of payment to all of our future subordinated debt.

Subject to the exceptions, and subject to compliance with the applicable requirements set forth in the base indenture, we may discharge our obligation under the indenture with respect to the notes as described under Optional Redemption and Defeasance and Discharge , below.

Principal, Maturity and Interest

Initially, we will issue the 2017 notes in an aggregate principal amount of $500,000,000, the 2022 notes in an aggregate principal amount of $1,400,000,000, and the 2042 notes in an aggregate principal amount of $1,100,000,000. The notes will be in denominations of $2,000 and integral multiples of $1,000 in excess thereof. The 2017 notes will mature on December 1, 2017, the 2022 notes will mature on December 1, 2022 and the 2042 notes will mature on December 1, 2042. We may issue additional notes of each series from time to time, without the consent of the holders of the notes of any series, in compliance with the terms of the indenture.

Interest on the notes will:

- accrue at the rate of 1.35% per annum, in the case of the 2017 notes;