UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K/A
(Amendment No. 1)

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): October 31, 2019

MRC GLOBAL INC.
(Exact name of registrant as specified in its charter)

Delaware	**001-35479**	**20-5956993**
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification Number)

Fulbright Tower, 1301 McKinney Street, Suite 2300
Houston, Texas 77010
(Address of Principal Executive Offices)

Registrant's telephone number, including area code: (877) 294-7574

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 (see General Instruction A.2. below):

[ ] 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))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.01	MRC	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Explanatory Note

The sole purpose of this amendment to the Current Report on Form 8-K/A (the "Form 8-K/A") filed by MRC Global Inc. (the "Company") with the Securities and Exchange Commission on October 31, 2019 (the "Form 8-K"), is to add Inline eXtensible Business Reporting Language ("XBRL") tagging to the cover page of this Form 8-K/A and to furnish Exhibit 104 to this Form 8-K/A relating to the same. All other information in the Form 8-K remains unchanged.

Item 2.02 **<u>Results of Operations and Financial Condition</u>**

On October 31, 2019, MRC Global Inc. ("MRC Global" or the "Company") issued a press release announcing its financial results for the three and nine months ended September 30, 2019. A copy of the press release is furnished as Exhibit 99.1 to this Form 8-K and is incorporated herein by reference.

In accordance with General Instruction B.2 of Form 8-K, the information in Item 2.02 of this Current Report on Form 8-K, including Exhibit 99.1, shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liability of that section, and shall not be incorporated by reference into any registration statement or other document filed under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Item 7.01 **<u>Regulation FD Disclosure</u>.**

Guidance Update

MRC Global expects the following results with respect to the operations and performance of the Company for the 2019 fiscal year:

- Historically, the Company's fourth quarter revenue experiences a seasonal, sequential decline in the 5% - 10% range. The Company expects that fourth quarter 2019 revenue will decline at the high end of that range or greater as compared to the third quarter of 2019 considering the focus on capital discipline by our customers and exhaustion of capital spending budgets.

- The Company expects the headcount reductions implemented in the third quarter of 2019 to result in a $12 million annual reduction in selling, general and administrative expense.

- The Company expects to generate at least $200 million of cash from operations for the full year 2019.

The above information, as well as information contained in Exhibit 99.1 referenced under Item 9.01 below, contain forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. Words such as "will," "expect," "expects," "expected," "believes," "looking forward," "guidance" and similar expressions are intended to identify forward-looking statements.

Statements about the Company's business, including its strategy, its industry, the Company's future profitability, the Company's expectations regarding its sales, including (without limitation) sales to utility customers, sales through e-commerce, sales from services provided by the Company's Midstream Valve & Engineering Center and sales of valves, cash from operations, savings from cost reductions, achievement of working capital targets, net leverage and the Company's expectations, beliefs, plans, strategies, objectives, prospects and assumptions are not guarantees of future performance. These statements are based on management's expectations that involve a number of business risks and uncertainties, any of which could cause actual results to differ materially from those expressed in or implied by the forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors, most of which are difficult to predict and many of which are beyond our control, including the factors described in the Company's SEC filings that may cause our actual results and performance to be materially different from any future results or performance expressed or implied by these forward-looking statements.

These risks and uncertainties also include (among others) decreases in oil and natural gas prices; decreases in oil and natural gas industry expenditure levels, which may result from decreased oil and natural gas prices or other factors; increased usage of alternative fuels, which may negatively affect oil and natural gas industry expenditure levels; U.S. and international general economic conditions; the Company's ability to compete successfully with other companies in MRC Global's industry; the risk that manufacturers of the products the Company distributes will sell a substantial amount of goods directly to end users in the industry sectors the Company serves; unexpected supply shortages; cost increases by the Company's suppliers; the Company's lack of long-term contracts with most of its suppliers; suppliers' price reductions of products that the Company sells, which could cause the value of the Company's inventory to decline; decreases in steel prices, which could significantly lower MRC Global's profit; increases in steel prices, which the Company may be unable to pass along to its customers which could significantly lower its profit; the Company's lack of long-term contracts with many of its customers and the Company's lack of contracts with customers that require minimum purchase volumes;

changes in the Company's customer and product mix; risks related to the Company's customers' creditworthiness; the success of the Company's acquisition strategies; the potential adverse effects associated with integrating acquisitions into the Company's business and whether these acquisitions will yield their intended benefits; the Company's significant indebtedness; the dependence on the Company's subsidiaries for cash to meet its debt obligations; changes in the Company's credit profile; a decline in demand for certain of the products the Company distributes if import restrictions on these products are lifted; environmental, health and safety laws and regulations and the interpretation or implementation thereof; the sufficiency of the Company's insurance policies to cover losses, including liabilities arising from litigation; product liability claims against the Company; pending or future asbestos-related claims against the Company; the potential loss of key personnel; interruption in the proper functioning of the Company's information systems and the occurrence of cyber security incidents; loss of third-party transportation providers; potential inability to obtain necessary capital; risks related to adverse weather events or natural disasters; impairment of our goodwill or other intangible assets; adverse changes in political or economic conditions in the countries in which the Company operates; exposure to U.S. and international laws and regulations, including the U.S. Foreign Corrupt Practices Act and the U.K. Bribery Act and other economic sanction programs; risks associated with international stability and geopolitical developments; risks relating to ongoing evaluations of internal controls required by Section 404 of the Sarbanes-Oxley Act; risks related to the Company's intention not to pay dividends; and risks arising from compliance with and changes in laws and regulations in the countries in which we operate, including (among others) changes in tax law, tax rates and interpretation in tax laws, changes in trade and other treaties that lead to differing tariffs and trade rules, the expansion of currency exchange controls, export controls or additional restrictions on doing business in countries subject to sanctions in which we operate or intend to operate. In addition, the Company's intention to continue to repurchase shares of the Company's common stock is also subject to the trading price of the stock being at prices that the Company believes are favorable to stockholders and to the Company's debt and liquidity levels being at levels the Company deems sufficient to repurchase shares. In addition, the Company's expectations of sales from contract awards are subject to completion of the award through agreement of final terms and conditions of the award in a final and binding executed contract.

For a discussion of key risk factors, please see the risk factors disclosed in the Company's SEC filings, which are available on the SEC's website at www.sec.gov and on the Company's website, www.mrcglobal.com. Our filings and other important information are also available on the Investor Relations page of our website at www.mrcglobal.com.

Undue reliance should not be placed on the Company's forward-looking statements. Although forward-looking statements reflect the Company's good faith beliefs, reliance should not be placed on forward-looking statements because they involve known and unknown risks, uncertainties and other factors, which may cause the Company's actual results, performance or achievements or future events to differ materially from anticipated future results, performance or achievements or future events expressed or implied by such forward-looking statements. The Company undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, changed circumstances or otherwise, except to the extent required by law.

The information referenced under Item 7.01 (including Exhibit 99.1 referenced under Item 9.01 below) of this Current Report on Form 8-K is being "furnished" under "Item 7.01. Regulation FD Disclosure" and, as such, shall not be deemed to be "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section. The information set forth in this Current Report on Form 8-K (including Exhibit 99.1 referenced under Item 9.01 below) shall not be incorporated by reference into any registration statement, report or other document filed by MRC Global pursuant to the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing.

Earnings Presentation

On October 31, 2019, MRC Global Inc. announced its financial results for the three and nine months ended September 30, 2019. In conjunction with this release, the Company issued a presentation summarizing the highlights of the financial results (the "Earnings Presentation"). A copy of the Earnings Presentation is furnished as Exhibit 99.2 to this Form 8-K and is incorporated herein by reference.

The information contained in the Earnings Presentation is summary information that should be considered in the context of MRC Global's filings with the Securities and Exchange Commission and other public announcements that MRC Global may make by press release or otherwise from time to time. The Earnings Presentation speaks as of the date of this Current Report on Form 8-K. While MRC Global may elect to update the Earnings Presentation in the future or reflect events and circumstances occurring or existing after the date of this Current Report on Form 8-K, MRC Global specifically disclaims any obligation to do so. The Earnings Presentation will also be posted in the Investor Relations section of MRC Global's website, http://www.mrcglobal.com.

The information referenced under Item 7.01 (including Exhibit 99.2 referenced under Item 9.01 below) of this Current Report on Form 8-K is being "furnished" under "Item 7.01. Regulation FD Disclosure" and, as such, shall not be deemed to be "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section. The information set forth in this Current Report on Form 8-K (including Exhibit 99.2 referenced under Item 9.01 below) shall not be incorporated by reference into any registration statement, report or other document filed by MRC Global pursuant to the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing.

Item 9.01 **<u>Financial Statements and Exhibits.</u>**

(d) *Exhibits.*

99.1 Press release of MRC Global Inc. dated October 31, 2019*

99.2 Earnings Presentation of MRC Global Inc. dated October 31, 2019*

104 Cover Page Interactive Data File – The cover page XBRL tags from this Current Report on Form 8-K/A are imbedded within the Inline XBRL document

*Previously filed

Exhibit 99.1

INDEX TO EXHIBITS

Exhibit No.	Description
99.1	Press release dated October 31, 2019
99.2	Earnings Presentation dated October 31, 2019
104	Cover Page Interactive Data File – The cover page XBRL tags from this Current Report on Form 8-K/A are imbedded within the Inline XBRL document

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: October 31, 2019

MRC GLOBAL INC.

By: /s/ James E. Braun
James E. Braun
Executive Vice President and Chief Financial Officer

MRC Global Announces Third Quarter 2019 Results

Sales of $942 million
Net income attributable to common stockholders of $15 million
Diluted earnings per common share of $0.18
Adjusted EBITDA of $62 million
Cash flow from operations of $126 million

Houston, TX – October 31, 2019 – MRC Global Inc. (NYSE: MRC), the largest global distributor, based on sales, of pipe, valves and fittings and related products and services to the energy industry, today announced third quarter 2019 results.

The company's sales were $942 million for the third quarter of 2019, which was 4% lower than the second quarter of 2019 and 12% lower than the third quarter of 2018. The sequential decline was driven by a decrease in the midstream sector, partially offset by a slight increase in the upstream and downstream sectors. As compared to the third quarter of 2018, sales decreased across all segments and end-markets.

Net income attributable to common stockholders for the third quarter of 2019 was $15 million, or $0.18 per diluted share, as compared to $18 million, or $0.20 per diluted share in the third quarter of 2018. The third quarter of 2019 included after-tax severance charges of $4 million, or $0.05 per diluted share.

Andrew R. Lane, MRC Global's president and chief executive officer stated, "We are pleased to see progress from our strategy to increase margins, as we achieved 20% adjusted gross profit this quarter. Revenue in the third quarter, however, was lower due to progressively weaker market conditions and unusually low customer spending patterns. We remain focused on maximizing shareholder returns throughout the cycle as we repurchased $13 million of our stock during the third quarter. So far in 2019, we have generated $134 million of cash from operations, reduced debt, improved working capital efficiency and executed cost reduction initiatives, including headcount reductions of 180 in the third quarter. This first phase of cost reductions is expected to yield annual savings of approximately $12 million, and we have more initiatives underway. In total, our headcount is down 230 since the end of 2018. In periods of slower growth, our business continues to generate cash, and we expect to generate at least $200 million of cash from operations in 2019."

MRC Global's third quarter 2019 gross profit was $174 million, or 18.5% of sales, as compared to gross profit of $172 million, or 16.1% of sales, in the third quarter of 2018. Gross profit for the third quarter of 2019 and 2018 reflects income of $2 million and expense of $26 million, respectively, in cost of sales relating to the use of the last-in, first out (LIFO) method of inventory cost accounting. The improvement in gross profit percent was attributable primarily to the lower LIFO expense.

Selling, general and administrative expenses were $137 million, or 14.5% of sales, for the third quarter of 2019 compared to $140 million, or 13.1% of sales, for the same period of 2018. SG&A expenses for the third quarter of 2019 included $5 million of pre-tax severance charges.

Adjusted EBITDA was $62 million in the third quarter of 2019 compared to $80 million for the same period in 2018. Please refer to the reconciliation of non-GAAP measures (adjusted gross profit and adjusted EBITDA) to GAAP measures (gross profit and net income) in this release.

Sales by Segment

U.S. sales in the third quarter of 2019 were $763 million, down $96 million, or 11%, from the same quarter in 2018. Midstream declined $50 million, or 12%, due to lower transmission and gathering activity. Upstream declined $24 million, or 11%, as a result of increased capital discipline by our customers. Downstream declined by $22 million, or 9%, due to non-recurring project work that resulted in a $20 million decrease in sales.

Canadian sales in the third quarter of 2019 were $57 million, down $21 million, or 27%, from the same quarter in 2018 driven by the upstream sector, which continues to be negatively impacted by low Canadian oil prices and government-imposed production limits.

International sales in the third quarter of 2019 were $122 million, down $12 million, or 9%, from the same period in 2018 reflecting the conclusion of a major upstream project in Kazakhstan, as well as, the impact of weaker foreign currencies relative to the U.S. dollar, which unfavorably impacted sales by $6 million. Excluding the impact of the project and weaker foreign currencies, sales increased $23 million, or 23%, due to improving market conditions, particularly in Norway and the United Kingdom.

Sales by Sector

Upstream sales in the third quarter of 2019 decreased 15% from the third quarter of 2018 to $287 million, or 31% of total sales. The decrease in upstream sales was across all geographic segments, as described above.

Midstream sales in the third quarter of 2019 were $370 million, or 39% of total sales, down $52 million, or 12%, from the third quarter of 2018. Sales to gas utility customers were flat for the quarter, while sales to transmission and gathering customers were down 26% over the same quarter in 2018. Gas utility sales are up 7% for the first nine months of 2019 compared to the same period last year as we continue to grow our share in this market.

Downstream sales in the third quarter of 2019 were $285 million, or 30% of total sales, down $26 million, or 8%, from the third quarter of 2018 due primarily to the U.S. segment as described above.

Balance Sheet

Cash balances were $25 million at September 30, 2019. Debt, net of cash, was $602 million and excess availability under our asset-based lending facility was $477 million as of September 30, 2019. Cash provided by operations was $126 million in the third quarter of 2019 bringing cash provided by operations for the first nine months of 2019 to $134 million. MRC Global's liquidity position of $502 million is sufficient to support the business and capital needs of the Company.

Share Repurchase Programs

In October 2018, the board of directors authorized a share repurchase program for common stock of up to $150 million. As previously reported, during the third quarter of 2019, the Company purchased $13 million of its common stock at an average price of $13.59 per share. There is $12 million remaining available under the current authorization. This program is scheduled to expire on December 31, 2019. Shares may be repurchased at management's discretion in the open market. Depending on market conditions and other factors, these repurchases may be commenced or suspended from time to time without prior notice.

Since 2015, the Company has repurchased $363 million or 23.4 million shares at an average price of $15.49 per share. The outstanding share count as of September 30, 2019 was 82.2 million shares.

Conference Call

The Company will hold a conference call to discuss its third quarter 2019 results at 10:00 a.m. Eastern Time (9:00 a.m. Central Time) on November 1, 2019. To participate in the call, please dial 412-902-0003 and ask for the MRC Global conference call at least 10 minutes prior to the start time. To access the conference call, live over the Internet, please log onto the web at www.mrcglobal.com and go to the "Investor Relations" page of the company's website at least fifteen minutes early to register, download and install any necessary audio software. For those who cannot listen to the live call, a replay will be available through November 15, 2019 and can be accessed by dialing 201-612-7415 and using pass code 13693589#. Also, an archive of the webcast will be available shortly after the call at www.mrcglobal.com for 90 days.

About MRC Global Inc.

MRC Global is the largest distributor of pipe, valves and fittings (PVF) and related infrastructure products and services to the energy industry, based on sales. Through approximately 260 service locations worldwide, approximately 3,350 employees and with nearly 100 years of history, MRC Global provides innovative supply chain solutions and technical product expertise to customers globally across diversified end-markets including the upstream, midstream (including gas utilities) and downstream (including industrials). MRC Global manages a complex network of over 200,000 SKUs and 11,000 suppliers simplifying the supply chain for its over 15,000 customers. With a focus on technical products, value-added services, a global network of valve and engineering centers and an unmatched quality assurance program, MRC Global is the trusted PVF expert. Find out more at www.mrcglobal.com.

This news release contains forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. Words such as "expect," "expected," "intend," "believes," "looking forward," "guidance," "plans" and similar expressions are intended to identify forward-looking statements.

Statements about the company's business, including its strategy, its industry, the company's future profitability, the company's expectations regarding its sales, including (without limitation) sales to utility customers, sales through e-commerce, sales from services provided by the Company's Midstream Valve & Engineering Center and sales of valves, adjusted EBITDA, tax rate, achievement of working capital targets, capital expenditures, savings from cost reductions and cash from operations, growth in the company's various markets and the company's expectations, beliefs, plans, strategies, objectives, prospects and assumptions are not guarantees of future performance. These statements are based on management's expectations that involve a number of business risks and uncertainties, any of which could cause actual results to differ materially from those expressed in or implied by the forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors, most of which are difficult to predict and many of which are beyond our control, including the factors described in the company's SEC filings that may cause our actual results and performance to be materially different from any future results or performance expressed or implied by these forward-looking statements.

These risks and uncertainties include (among others) decreases in oil and natural gas prices; decreases in oil and natural gas industry expenditure levels, which may result from decreased oil and natural gas prices or other factors; increased usage of alternative fuels, which may negatively affect oil and natural gas industry expenditure levels; U.S. and international general economic conditions; the company's ability to compete successfully with other companies in MRC Global's industry; the risk that manufacturers of the products the company distributes will sell a substantial amount of goods directly to end users in the industry sectors the company serves; unexpected supply shortages; cost increases by the company's suppliers; the company's lack of long-term contracts with most of its suppliers; suppliers' price reductions of products that the company sells, which could cause the value of the company's inventory to decline; decreases in steel prices, which could significantly lower MRC Global's profit; increases in steel prices, which the company may be unable to pass along to its customers which could significantly lower its profit; the company's lack of long-term contracts with many of its customers and the company's lack of contracts with customers that require minimum purchase volumes; changes in the company's customer and product mix; risks related to the company's customers' creditworthiness; the success of the company's acquisition strategies; the potential adverse effects associated with integrating acquisitions into the company's business and whether these acquisitions will yield their intended benefits; the company's significant indebtedness; the dependence on the company's subsidiaries for cash to meet its obligations; changes in the company's credit profile; a decline in demand for certain of the products the company distributes if import restrictions on these products are lifted; environmental, health and safety laws and regulations and the interpretation or implementation thereof; the sufficiency of the company's insurance policies to cover losses, including liabilities arising from litigation; product liability claims against the company; pending or future asbestos-related claims against the company; the potential loss of key personnel; interruption in the proper functioning of the company's information systems and the occurrence of cyber security incidents; loss of third-party transportation providers; potential inability to obtain necessary capital; risks related to adverse weather events or natural disasters; impairment of our goodwill or other intangible assets; adverse changes in political or *economic conditions in the countries in which the company operates; exposure to U.S. and international laws and regulations, including the U.S. Foreign Corrupt Practices Act and the U.K. Bribery Act and other economic sanction programs; risks associated with international stability and geopolitical developments, risks relating to ongoing evaluations of internal controls required by Section 404 of the Sarbanes-Oxley Act; risks related to the company's intention not to pay dividends; and risks arising from compliance with and changes in law in the countries in which we operate, including (among others) changes in tax law, tax rates and interpretation in tax laws. In addition, the Company's intention to continue to repurchase shares of common stock is also subject to the trading price of the stock being at prices that the Company believes are favorable to stockholders and to the Company's debt and liquidity levels being at levels the Company deems sufficient to repurchase shares. In addition, the company's expectation of sales from contract awards are subject to completion of the award through agreement of final terms and conditions of the award in a final and binding executed contract.*

For a discussion of key risk factors, please see the risk factors disclosed in the company's SEC filings, which are available on the SEC's website at www.sec.gov and on the company's website, www.mrcglobal.com. Our filings and other important information are also available on the Investor Relations page of our website at www.mrcglobal.com.

Undue reliance should not be placed on the company's forward-looking statements. Although forward-looking statements reflect the company's good faith beliefs, reliance should not be placed on forward-looking statements because they involve known and unknown risks, uncertainties and other factors, which may cause the company's actual results, performance or achievements or future events to differ materially from anticipated future results, performance or achievements or future events expressed or implied by such forward-looking statements. The company undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, changed circumstances or otherwise, except to the extent required by law.

Contact:

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Investor Relations
MRC Global Inc.
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832-308-2847

MRC Global Inc.
Condensed Consolidated Balance Sheets (Unaudited)
(in millions, except shares)

	September 30, 2019	December 31, 2018
Assets		
Current assets:		
Cash	**$ 25**	$ 43
Accounts receivable, net	**586**	587
Inventories, net	**742**	797
Other current assets	**37**	38
Total current assets	**1,390**	1,465
Long-term assets:		
Operating lease assets	**186**	-
Property, plant and equipment, net	**140**	140
Other assets	**21**	23
Intangible assets:		
Goodwill, net	**482**	484
Other intangible assets, net	**288**	322
	$ 2,507	$ 2,434
Liabilities and stockholders' equity		
Current liabilities:		
Trade accounts payable	**$ 431**	$ 435
Accrued expenses and other current liabilities	**93**	130
Operating lease liabilities	**34**	-
Current portion of long-term debt	**4**	4
Total current liabilities	**562**	569
Long-term liabilities:		
Long-term debt, net	**623**	680
Operating lease liabilities	**168**	-
Deferred income taxes	**91**	98
Other liabilities	**37**	40
Commitments and contingencies		
6.5% Series A Convertible Perpetual Preferred Stock, $0.01 par value; authorized 363,000 shares; 363,000 shares issued and outstanding	**355**	355
Stockholders' equity:		
Common stock, $0.01 par value per share: 500 million shares authorized, 105,623,390 and 104,953,693 issued, respectively	**1**	1
Additional paid-in capital	**1,727**	1,721
Retained deficit	**(453)**	(498)
Less: Treasury stock at cost: 23,436,329 and 19,347,839 shares, respectively	**(363)**	(300)
Accumulated other comprehensive loss	**(241)**	(232)
	671	692
	$ 2,507	$ 2,434

MRC Global Inc.
Condensed Consolidated Statements of Operations (Unaudited)
(in millions, except per share amounts)

	Three Months Ended		Nine Months Ended	
	September 30, 2019	**September 30, 2018**	**September 30, 2019**	**September 30, 2018**
Sales	**$ 942**	$ 1,071	**$ 2,896**	$ 3,163
Cost of sales	**768**	899	**2,374**	2,645
Gross profit	**174**	172	**522**	518
Selling, general and administrative expenses	**137**	140	**409**	414
Operating income	**37**	32	**113**	104
Other (expense) income:				
Interest expense	**(10)**	(10)	**(31)**	(28)
Write off of debt issuance costs	**-**	-	**-**	(1)
Other, net	**2**	2	**3**	4
Income before income taxes	**29**	24	**85**	79
Income tax expense	**8**	-	**22**	15
Net income	**21**	24	**63**	64
Series A preferred stock dividends	**6**	6	**18**	18
Net income attributable to common stockholders	**$ 15**	$ 18	**$ 45**	$ 46
Basic income per common share	**$ 0.18**	$ 0.20	**$ 0.54**	$ 0.51
Diluted income per common share	**$ 0.18**	$ 0.20	**$ 0.53**	$ 0.50
Weighted-average common shares, basic	**82.7**	90.3	**83.4**	90.6
Weighted-average common shares, diluted	**83.4**	91.7	**84.2**	92.4

MRC Global Inc.
Condensed Consolidated Statements of Cash Flows (Unaudited)
(in millions)

	Nine Months Ended	
	September 30, 2019	**September 30, 2018**
Operating activities		
Net income	$ **63**	$ 64
Adjustments to reconcile net income to net cash provided by (used in) operations:		
Depreciation and amortization	**16**	17
Amortization of intangibles	**33**	34
Equity-based compensation expense	**12**	11
Deferred income tax benefit	**(5)**	(7)
Amortization of debt issuance costs	**1**	1
Write off of debt issuance costs	**-**	1
(Decrease) increase in LIFO reserve	**(3)**	48
Other	**3**	2
Changes in operating assets and liabilities:		
Accounts receivable	**(4)**	(156)
Inventories	**56**	(206)
Other current assets	**-**	3
Accounts payable	**(3)**	58
Accrued expenses and other current liabilities	**(35)**	(16)
Net cash provided by (used in) operations	**134**	(146)
Investing activities		
Purchases of property, plant and equipment	**(12)**	(15)
Proceeds from the disposition of property, plant and equipment	**1**	6
Other investing activities	**1**	-
Net cash used in investing activities	**(10)**	(9)
Financing activities		
Payments on revolving credit facilities	**(786)**	(808)
Proceeds from revolving credit facilities	**733**	1,004
Payments on long-term obligations	**(3)**	(3)
Debt issuance costs paid	**-**	(1)
Purchase of common stock	**(63)**	(50)
Dividends paid on preferred stock	**(18)**	(18)
Repurchases of shares to satisfy tax withholdings	**(6)**	(5)
Proceeds from exercise of stock options	**-**	21
Other	**1**	(1)
Net cash (used in) provided by financing activities	**(142)**	139
Decrease in cash	**(18)**	(16)
Effect of foreign exchange rate on cash	**-**	(3)
Cash -- beginning of period	**43**	48
Cash -- end of period	**$ 25**	$ 29

MRC Global Inc.

Supplemental Information (Unaudited)

Reconciliation of Net Income to Adjusted EBITDA (a non-GAAP measure)
(in millions)

	Three Months Ended		Nine Months Ended	
	September 30, 2019	September 30, 2018	**September 30, 2019**	September 30, 2018
Net income	**$ 21**	$ 24	**$ 63**	$ 64
Income tax expense	**8**	-	**22**	15
Interest expense	**10**	10	**31**	28
Depreciation and amortization	**5**	5	**16**	17
Amortization of intangibles	**11**	12	**33**	34
(Decrease) increase in LIFO reserve	**(2)**	26	**(3)**	48
Equity-based compensation expense (1)	**5**	4	**12**	11
Severance charges (2)	**5**	-	**5**	-
Write off of debt issuance costs (3)	**-**	-	**-**	1
Change in fair value of derivative instruments	**-**	-	**-**	(1)
Foreign currency gains	**(1)**	(1)	**(1)**	-
Adjusted EBITDA	**$ 62**	$ 80	**$ 178**	$ 217

Notes to above:

(1) Recorded in SG&A
(2) Charge (pre-tax) related to cost reduction initiatives in the third quarter of 2019 recorded in SG&A.
(3) Charge (pre-tax) to write off debt issuance costs related to refinancing the Term Loan agreement in the second quarter of 2018.

The company defines Adjusted EBITDA as net income plus interest, income taxes, depreciation and amortization, amortization of intangibles, and certain other expenses, including non-cash expenses, (such as equity-based compensation, severance and restructuring, changes in the fair value of derivative instruments and asset impairments, including inventory) and plus or minus the impact of its LIFO inventory costing methodology. The company presents Adjusted EBITDA because the company believes Adjusted EBITDA is a useful indicator of the company's operating performance. Among other things, Adjusted EBITDA measures the company's operating performance without regard to certain non-recurring, non-cash or transaction-related expenses. Adjusted EBITDA, however, does not represent and should not be considered as an alternative to net income, cash flow from operations or any other measure of financial performance calculated and presented in accordance with GAAP. Because Adjusted EBITDA does not account for certain expenses, its utility as a measure of the company's operating performance has material limitations. Because of these limitations, the company does not view Adjusted EBITDA in isolation or as a primary performance measure and also uses other measures, such as net income and sales, to measure operating performance. See the Company's Annual Report filed on Form 10-K for a more thorough discussion of the use of Adjusted EBITDA.

MRC Global Inc.
Supplemental Information (Unaudited)
Reconciliation of Gross Profit to Adjusted Gross Profit (a non-GAAP measure)
(in millions)

	Three Months Ended			
	September 30, 2019	**Percentage of Revenue**	**September 30, 2018**	**Percentage of Revenue**
Gross profit, as reported	**$ 174**	**18.5%**	$ 172	16.1%
Depreciation and amortization	**5**	**0.5%**	5	0.5%
Amortization of intangibles	**11**	**1.2%**	12	1.1%
(Decrease) increase in LIFO reserve	**(2)**	**(0.2%)**	26	2.4%
Adjusted Gross Profit	**$ 188**	**20.0%**	$ 215	20.1%

	Nine Months Ended			
	September 30, 2019	**Percentage of Revenue**	**September 30, 2018**	**Percentage of Revenue**
Gross profit, as reported	**$ 522**	**18.0%**	$ 518	16.4%
Depreciation and amortization	**16**	**0.6%**	17	0.5%
Amortization of intangibles	**33**	**1.1%**	34	1.1%
(Decrease) increase in LIFO reserve	**(3)**	**(0.1%)**	48	1.5%
Adjusted Gross Profit	**$ 568**	**19.6%**	$ 617	19.5%

Notes to above:

The company defines Adjusted Gross Profit as sales, less cost of sales, plus depreciation and amortization, plus amortization of intangibles, and plus or minus the impact of its LIFO inventory costing methodology. The company presents Adjusted Gross Profit because the company believes it is a useful indicator of the company's operating performance without regard to items, such as amortization of intangibles, that can vary substantially from company to company depending upon the nature and extent of acquisitions of which they have been involved. Similarly, the impact of the LIFO inventory costing method can cause results to vary substantially from company to company depending upon whether they elect to utilize LIFO and depending upon which method they may elect. The company uses Adjusted Gross Profit as a key performance indicator in managing its business. The company believes that gross profit is the financial measure calculated and presented in accordance with U.S. generally accepted accounting principles that is most directly comparable to Adjusted Gross Profit.

MRC Global Inc.
Supplemental Sales Information (Unaudited)
(in millions)

Disaggregated Sales by Segment

	Three Months Ended September 30,			
	U.S.	**Canada**	**International**	**Total**
2019:				
Upstream	**$ 189**	**$ 43**	**$ 55**	**$ 287**
Midstream	**356**	**7**	**7**	**370**
Downstream	**218**	**7**	**60**	**285**
	$ 763	**$ 57**	**$ 122**	**$ 942**
2018:				
Upstream	$ 213	$ 59	$ 66	$ 338
Midstream	406	11	5	422
Downstream	240	8	63	311
	$ 859	$ 78	$ 134	$ 1,071

	Nine Months Ended September 30,			
	U.S.	**Canada**	**International**	**Total**
2019:				
Upstream	**$ 583**	**$ 130**	**$ 170**	**$ 883**
Midstream	**1,098**	**35**	**19**	**1,152**
Downstream	**667**	**18**	**176**	**861**
	$ 2,348	**$ 183**	**$ 365**	**$ 2,896**
2018:				
Upstream	$ 580	$ 180	$ 187	$ 947
Midstream	1,253	33	18	1,304
Downstream	710	23	179	912
	$ 2,543	$ 236	$ 384	$ 3,163

MRC Global Inc.
Supplemental Sales Information (Unaudited)
(in millions)

Sales by Product Line

Type	Three Months Ended		Nine Months Ended	
	September 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018
Line pipe	**$ 153**	$ 186	**$ 468**	$ 556
Carbon steel fittings and flanges	**145**	182	**456**	531
Total carbon steel pipe, fittings and flanges	**298**	368	**924**	1,087
Valves, automation, measurement and instrumentation	**362**	393	**1,125**	1,146
Gas products	**147**	154	**425**	425
Stainless steel and alloy pipe and fittings	**43**	48	**135**	150
General oilfield products	**92**	108	**287**	355
	$ 942	$ 1,071	**$ 2,896**	$ 3,163

MRC Global Inc.
Supplemental Information (Unaudited)
Reconciliation of Net Income Attributable to Common Stockholders to
Adjusted Net Income Attributable to Common Stockholders (a non-GAAP measure)
(in millions, except per share amounts)

	September 30, 2019			
	Three Months Ended		Nine Months Ended	
	Amount	Per Share	Amount	Per Share
Net income attributable to common stockholders	**$ 15**	**$ 0.18**	**$ 45**	**$ 0.53**
Decrease in LIFO reserve, net of tax	**(2)**	**(0.02)**	**(2)**	**(0.02)**
Adjusted net income attributable to common stockholders	**$ 13**	**$ 0.16**	**$ 43**	**$ 0.51**

	September 30, 2018			
	Three Months Ended		Nine Months Ended	
	Amount	Per Share*	Amount	Per Share
Net income attributable to common stockholders	$ 18	$ 0.20	$ 46	$ 0.50
Increase in LIFO reserve, net of tax	20	0.22	37	0.40
Adjusted net income attributable to common stockholders	$ 38	$ 0.41	$ 83	$ 0.90

Notes to above:
*Does not foot due to rounding

The Company defines Adjusted Net Income Attributable to Common Stockholders (a non-GAAP measure) as Net Income Attributable to Common Stockholders plus or minus the after-tax impact of its LIFO inventory costing methodology. The Company presents Adjusted Net Income Attributable to Common Stockholders and related per share amounts because the Company believes it provides useful comparisons of the Company's operating results to other companies, including those companies with whom we compete in the distribution of pipe, valves and fittings to the energy industry, without regard to the LIFO inventory costing methodology. The impact of the LIFO inventory costing methodology can cause results to vary substantially from company to company depending upon whether they elect to utilize LIFO and depending upon which method they may elect. The Company believes that Net Income Attributable to Common Stockholders is the financial measure calculated and presented in accordance with U.S. generally accepted accounting principles that is most directly compared to Adjusted Net Income Attributable to Common Stockholders.

# # #

MRC Global

3Q 2019 Earnings Presentation

October 31, 2019

We Make Energy Flow™

Forward Looking Statements and Non-GAAP Disclaimer

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. Words such as "will," "expect," "looking forward," "guidance," "targeting", and similar expressions are intended to identify forward-looking statements. Statements about the company's business, including its strategy, its industry, the company's future profitability, the company's guidance on its sales, Adjusted EBITDA, gross profit, gross profit percentage, Adjusted Gross Profit, Adjusted Gross Profit percentage, tax rate, capital expenditures and cash from operations, growth in the company's various markets and the company's expectations, beliefs, plans, strategies, objectives, prospects and assumptions are not guarantees of future performance. These statements are based on management's expectations that involve a number of business risks and uncertainties, any of which could cause actual results to differ materially from those expressed in or implied by the forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors, most of which are difficult to predict and many of which are beyond our control, including the factors described in the company's SEC filings that may cause our actual results and performance to be materially different from any future results or performance expressed or implied by these forward-looking statements, including the Company's Current Report on Form 8-K dated October 31, 2019.

For a discussion of key risk factors, please see the risk factors disclosed in the company's SEC filings, which are available on the SEC's website at www.sec.gov and on the company's website, www.mrcglobal.com. Our filings and other important information are also available on the Investor Relations page of our website at www.mrcglobal.com.

Undue reliance should not be placed on the company's forward-looking statements. Although forward-looking statements reflect the company's good faith beliefs, reliance should not be placed on forward-looking statements because they involve known and unknown risks, uncertainties and other factors, which may cause the company's actual results, performance or achievements or future events to differ materially from anticipated future results, performance or achievements or future events expressed or implied by such forward-looking statements. The company undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, changed circumstances or otherwise, except to the extent required by law.

Statement Regarding Use of Non-GAAP Measures:

The Non-GAAP financial measures contained in this presentation (Adjusted EBITDA and Adjusted Gross Profit) are not measures of financial performance calculated in accordance with U.S. Generally Accepted Accounting Principles (GAAP) and should not be considered as alternatives to net income or gross profit. They should be viewed in addition to, and not as a substitute for, analysis of our results reported in accordance with GAAP. Management believes that these non-GAAP financial measures provide investors a view to measures similar to those used in evaluating our compliance with certain financial covenants under our credit facilities and provide meaningful comparisons between current and prior year period results. They are also used as a metric to determine certain components of performance-based compensation. They are not necessarily indicative of future results of operations that may be obtained by the Company.

Key Points – Third Quarter 2019 Results

Returned $63M of cash to shareholders in 2019 through 3Q

Repurchased $363M since 2015

3Q19 revenue decline of 4% from 2Q19 in line with expectations on slowing customer spend

Strong adjusted gross profit of 20.0% up 70 basis points from 2Q19

Adjusted gross profit percentage YTD 2019 19.6%, up from 19.5% YTD 2018

Adjusted EBITDA of $62M or 6.6% of revenue

Lowered operating costs

Excluding severance, 3Q19 lower by $8 million from 3Q18 and lower by $1 million from 2Q19

Net debt of $602 million down $101 million from 2Q19

Generated $126M of cash from operations in 3Q19 and $134 million YTD 2019

YTD = Nine-months ended September 30 for the indicated year.
Note: Adjusted Gross Profit and Adjusted EBITDA are non-GAAP measures. For a reconciliation to their closest GAAP measures, see our Current Report on Form 8-K dated October 31, 2019.

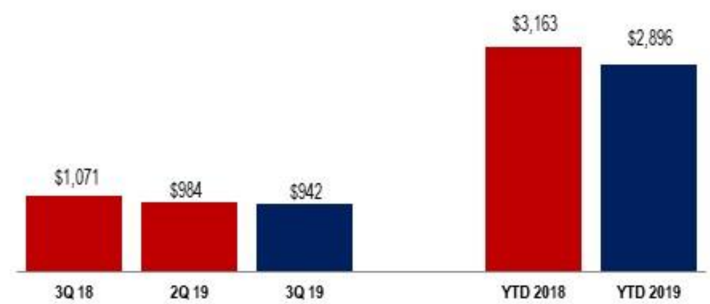
Summary Highlights from Third Quarter 2019 Results

- $942M in revenue – 4% sequential decrease
- SG&A $137M – down $8M from 3Q18, excluding severance of $5 million
- Segment revenue highlights 3Q19 v 3Q18
  - **U.S.** – declined 11% on upstream and midstream weakness and downstream project revenue.
  - **Canada** – declined 27% in poor market conditions.
  - **International** – declined 9% on the conclusion of a project and weak foreign currency. Underlying business grew 23% excluding project & currency impact.
- Market sector revenue highlights 3Q19 v 3Q18
  - **Upstream** – decreased 15% driven by all segments.
  - **Midstream** –declined 12% on transmission and gathering revenue decline. Revenue from gas utilities was flat.
  - **Downstream** – decreased 8% on non-recurring project revenue.

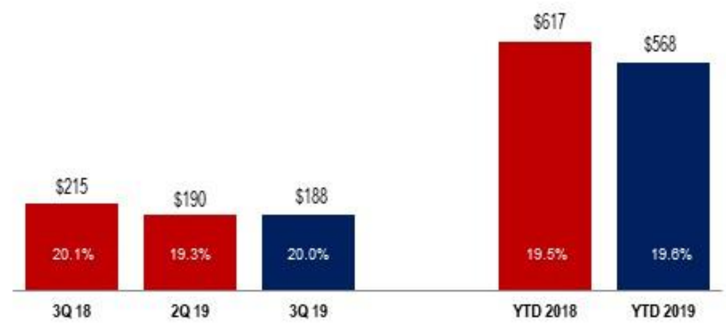
Quarterly & YTD Financial Performance

($ millions, except per share data)

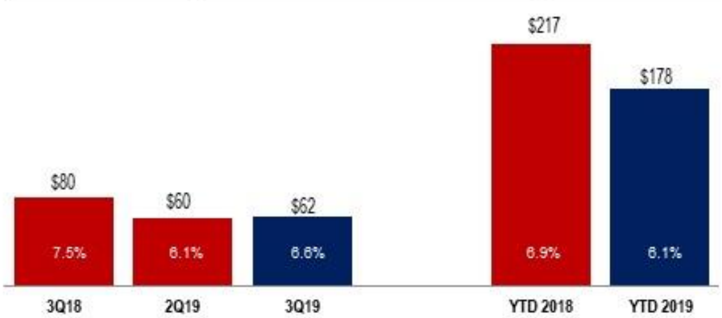
Sales



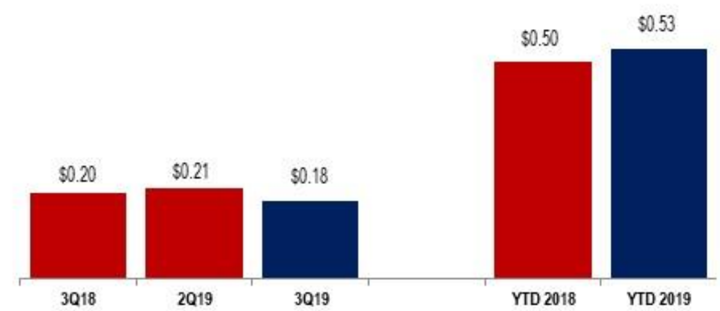
Adjusted Gross Profit and % Margin[1]



Adjusted EBITDA and % Margin[1]



Diluted EPS

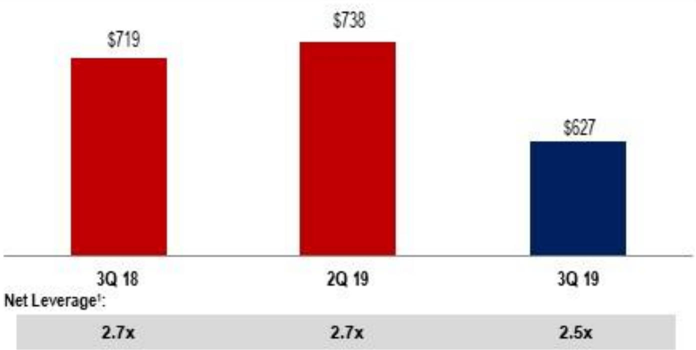


1. See reconciliation of non-GAAP measures to GAAP measures in the appendix

Strong Balance Sheet Provides Financial Flexibility

($ millions)

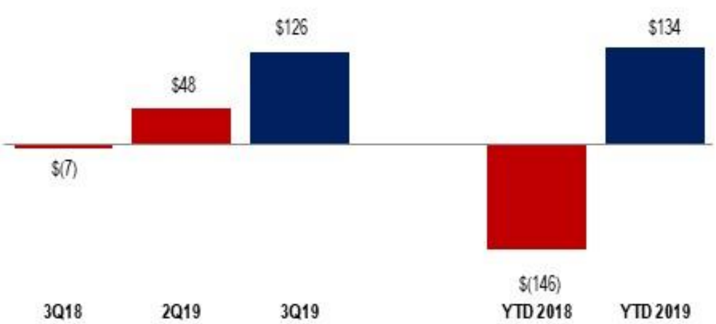
Total Debt



Capital Structure

	September 30, 2019
Cash and Cash Equivalents	**$ 25**
Total Debt (including current portion):	
Term Loan B due 2024 (net of discount & deferred financing costs)	$ 391
Global ABL Facility due 2022	236
Total Debt	$ 627
Preferred stock	355
Common stockholders' equity	671
Total Capitalization	**$ 1,653**
Liquidity	**$ 502**

Cash Flow from Operations



Return on Average Net Capital Employed[2]

1. Multiples represent Net Debt / trailing twelve months Adjusted EBITDA. Net Debt is Total Debt less Cash.
2. Return on Average Net Capital Employed is defined as net income plus interest expense after-tax, divided by average net capital employed (debt plus equity).

Strategy for Creating Shareholder Value

Grow Market Share

- Provide superior customer service & cost-saving supply chain solutions
- Focus on blue chip customers who demand value-added service and technical expertise
- Leverage market leadership position and global footprint
- Provide multi-channel engagement to capture buying
- Opportunistic M&A

Maximize Profitability

- Focus on higher margin products, end-markets & sales strategies
- Leverage scale & global supply chain
- Expand offering of value-added services to capture enhanced margin
- Focus on controlling costs & operating leverage

Maximize Working Capital Efficiency

- Reduce cash conversion cycle
- Optimize inventory to maximize turnover and margin
- Continual operational efficiency improvements

Optimize Capital Structure

- Optimize capital structure with financial flexibility throughout the cycle
  - Invest for growth
  - Return capital to shareholders
- Target leverage ratio ~2-3x net debt to adjusted EBITDA

Strategy - 3Q19 Accomplishments

Grow Market Share	• Added new customer contracts and awards (e.g. Oneok, SoCal Gas, CenterPoint)
Maximize Profitability	• On-track to increase valves to 40% of total revenue in 2019 / 2020
Maximize Working Capital Efficiency	• Inventory peaked 2Q19 & reduced by $56 in 3Q19 • Targeting 20% working capital to sales by end of 2019
Optimize Capital Structure	• Repurchased stock of $13 million in 3Q19 and $63 million in YTD 2019 (through 9/30/19) • Reduced net debt by $101 million in 3Q19 • Generated $126M cash from operations in 3Q19

Concluding Key Points

Focused on operating cost reductions, cash flow, balance sheet management

- Lowered annual SG&A by $12 million with 3Q19 reductions
- Expect at least $200 million of cash from operations in 2019 and >15% FCF yield for 2019
- Inventory peaked 2Q19 - targeting 20% working capital/ revenue by year end
- Net debt to adjusted EBITDA expected to be at 2.5x at year-end

Delivering on strategic objectives

- Optimal balance sheet usage – reducing debt and returning cash to shareholders
- Growing market share – added and renewed customer contracts

Note: Free cash flow yield is defined as Cash flow from operations less capital expenditures and preferred stock dividend divided by shares outstanding and stock price.

Appendix

Adjusted Gross Profit Reconciliation

	Three months ended			Nine months ended	
($ millions)	Sept 30, 2019	June 30, 2019	Sept 30, 2018	Sept 30, 2019	Sept 30, 2018
Gross profit	$174	$ 174	$ 172	$ 522	$ 518
Depreciation and amortization	5	6	5	16	17
Amortization of intangibles	11	11	12	33	34
(Decrease) increase in LIFO reserve	(2)	(1)	26	(3)	48
Adjusted Gross Profit	$188	$ 190	$ 215	$ 568	$ 617

Note: Adjusted Gross Profit is a non-GAAP measure. For a discussion of the use of Adjusted Gross Profit, see our Current Report on Form 8-K dated October 31, 2019.

Adjusted EBITDA Reconciliation

	Three months ended				Nine months ended	
($ millions)	Sept 30, 2019	June 30, 2019	Sept 30, 2018		Sept 30, 2019	Sept 30, 2018
Net income (loss)	$ 21	$ 24	$ 24		$ 63	$ 64
Income tax expense (benefit)	8	8	-		22	15
Interest expense	10	10	10		31	28
Depreciation and amortization	5	6	5		16	17
Amortization of intangibles	11	11	12		33	34
(Decrease) increase in LIFO reserve	(2)	(1)	26		(3)	48
Change in fair value of derivative instruments	-	-	-		-	(1)
Equity-based compensation expense	5	3	4		12	11
Severance & restructuring charges	5	-	-		5	-
Write off of debt issuance costs	-	-	-		-	1
Foreign currency (gains) losses	(1)	(1)	(1)		(1)	-
Adjusted EBITDA	$ 62	$ 60	$ 80		$ 178	$ 217

Note: Adjusted EBITDA is a non-GAAP measure. For a discussion of the use of Adjusted EBITDA, see our Current Report on Form 8-K dated October 31, 2019.