



Diamond Offshore

NYSE: DO

Q3 2023 Earnings Call

November 7, 2023

Forward Looking Statements

The statements in this presentation that are not historical facts, including statements regarding future performance, are forward-looking statements within the meaning of the federal securities laws. Forward-looking statements are inherently uncertain and subject to a variety of assumptions, risks and uncertainties that could cause actual results to differ materially from those currently anticipated or expected by management of Diamond Offshore Drilling, Inc. (the “Company”). These risks and uncertainties include, among others, risks associated with worldwide demand for drilling services, level of activity in the oil and gas industry, renewing or replacing expired or terminated contracts, contract cancellations and terminations, maintenance and realization of backlog, impairments and retirements, operating risks, regulatory initiatives and compliance with governmental regulations, litigation, rig reactivations, and various other factors, many of which are beyond the Company’s control. A discussion of the risk factors and other considerations that could materially impact the Company’s overall business and financial performance can be found in the Company’s reports filed with the Securities and Exchange Commission (the “SEC”) and readers of this report are urged to review these reports carefully. Given these risk factors, investors and analysts should not place undue reliance on forward-looking statements. Each forward-looking statement speaks only as of the date of such statement, and the Company expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement to reflect any change in the Company’s expectations with regard thereto or any change in events, conditions or circumstances on which any forward-looking statement is based.

The Company uses non-generally accepted accounting principles (“non-GAAP”) financial measures in this presentation. Generally, a non-GAAP financial measure is a numerical measure of a company’s performance, financial position or cash flows that excludes or includes amounts that are not normally excluded or included in the most directly comparable measure calculated and presented in accordance with GAAP. Management believes that an analysis of this data is meaningful to investors because it provides insight with respect to ongoing operating results of the Company and allows investors to better evaluate the financial results of the Company. Non-GAAP financial measures should be considered to be a supplement to, and not as a substitute for, or superior to, financial measures prepared in accordance with GAAP.



Awarded
\$240M
in new contracts

Issued
\$550M
8.5% Senior Secured
Second Lien Notes

Earned
7th Bonus
by Senegal rigs

- **Ocean Patriot** secured 35-well P&A campaign for approximately three years of work commencing in early 2025
- **Ocean GreatWhite** secured second and third priced option wells in the UK with an estimated duration of 60 days each
- **Ocean BlackHawk** mobilized to Gulf of Mexico; commenced contract in November

Diamond Offshore At a Glance



Market
Capitalization¹

\$1.3B

Backlog²

\$1.64B

2023 Projected
EBITDA

\$135-145M

Liquidity³

\$445M

Share of Fleet
Contracted⁴

85%

Drillship fleet with
MPD⁵

100%

Owned Fleet⁶

11 rigs

1) Source: Bloomberg as of Oct 27, 2023.

2) As of Oct 1, 2023 plus contracts announced Nov 6, 2023.

3) As of Sep 30, 2023

4) Includes managed rigs and excludes rig held for sale.

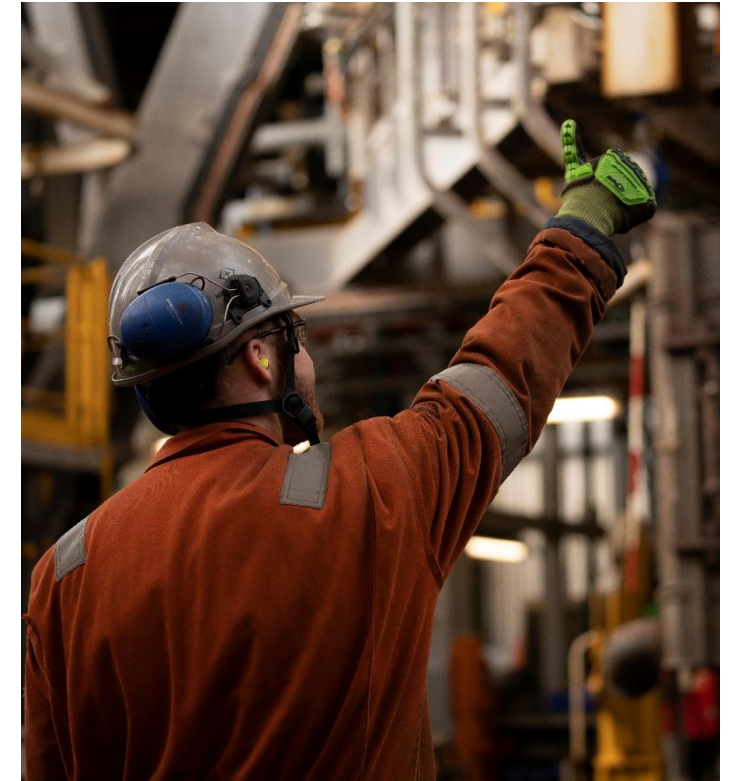
5) BlackRhino MPD to be installed in 2024.

6) Excludes rig held for sale.

Q3 '23 Financial Highlights (\$M)



	Q3 2023	Q2 2023
Adjusted EBITDA	\$28	\$36
Total Revenues	\$245	\$282
G&A Expenses	\$17	\$17
Capital Expenditures	\$41	\$29
Free Cash Flow	(\$48)	(\$9)
Net Debt ²	\$403	\$337
Liquidity	\$445	\$269
Backlog ¹	\$1,642	\$1,580



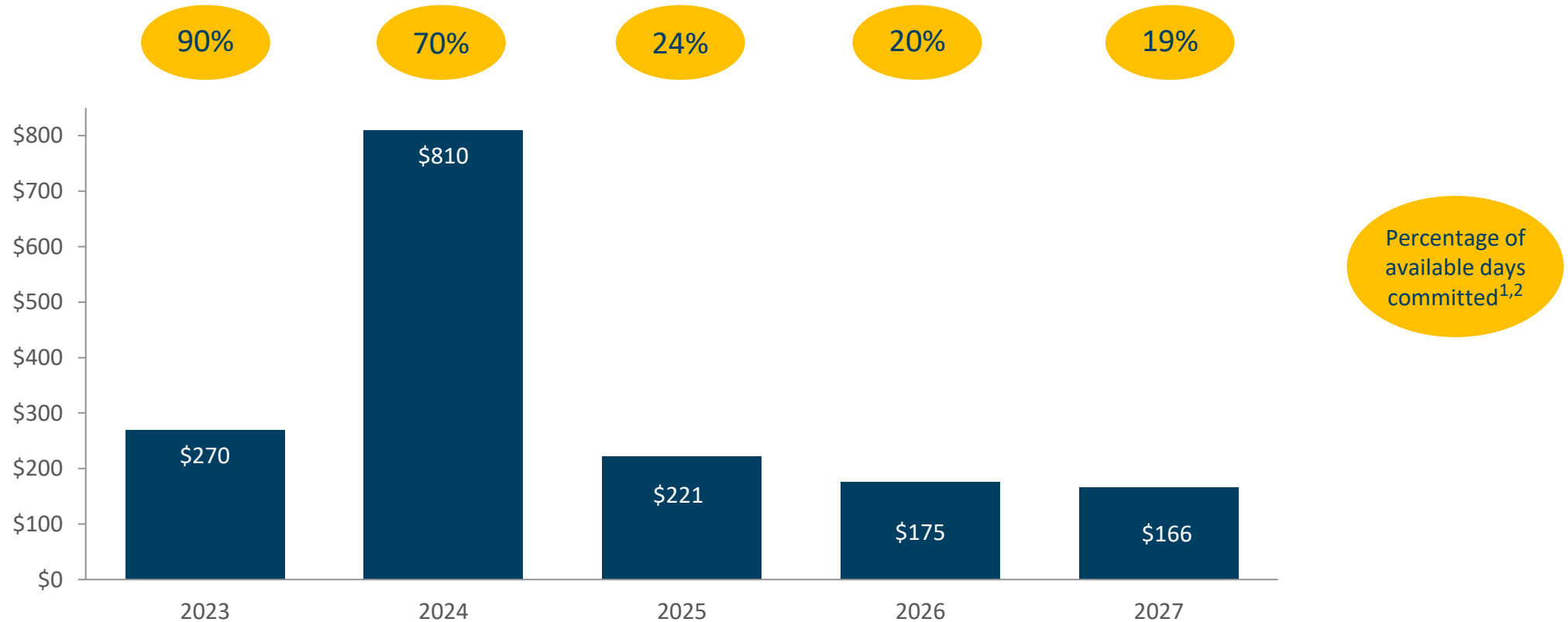
1) Backlog as of Oct 1, 2023 plus contracts announced Nov 6, 2023

2) Excludes finance lease liabilities

Backlog (\$M)¹ and Contract Coverage (%)^{1,2}



- Current Backlog is \$1.64B¹



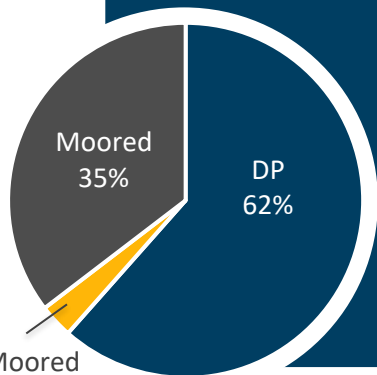
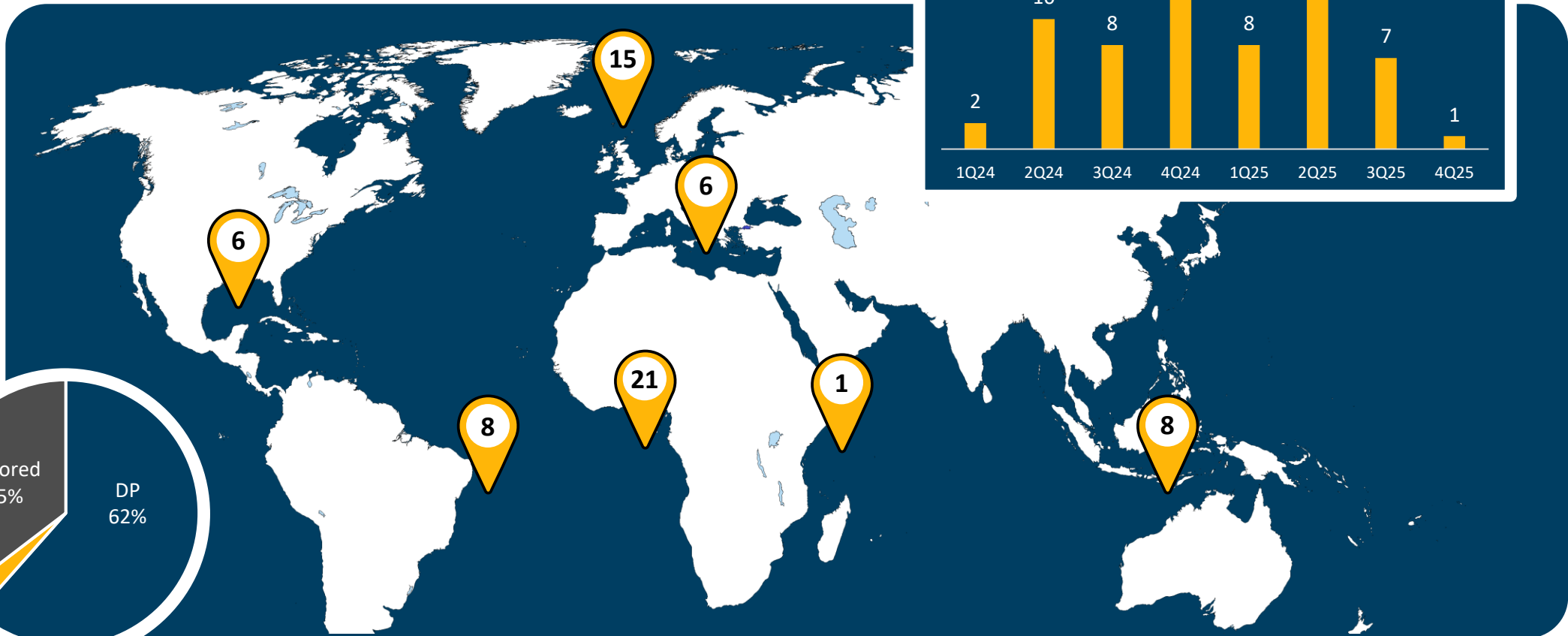
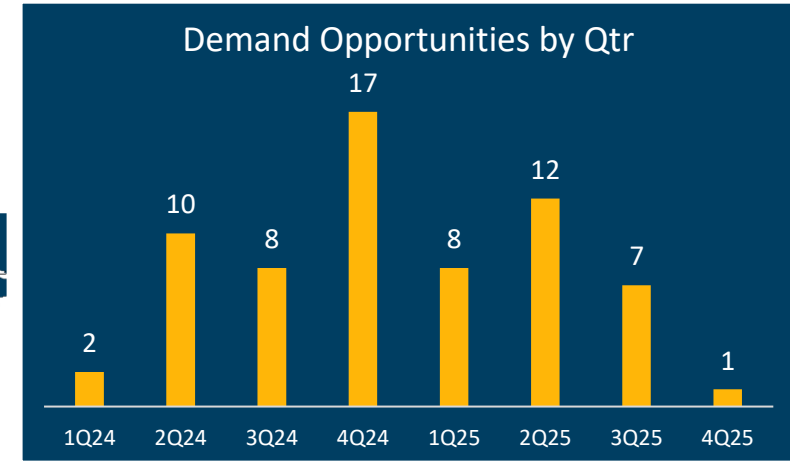
1) As of Oct 1, 2023 plus contracts announced Nov 6, 2023

2) Contract coverage is based on committed days for actively marketed rigs, excluding priced options.

65 Floater Opportunities¹ Commencing through 2025



- **65** opportunities
- **77** rig years of demand
- **38** customers



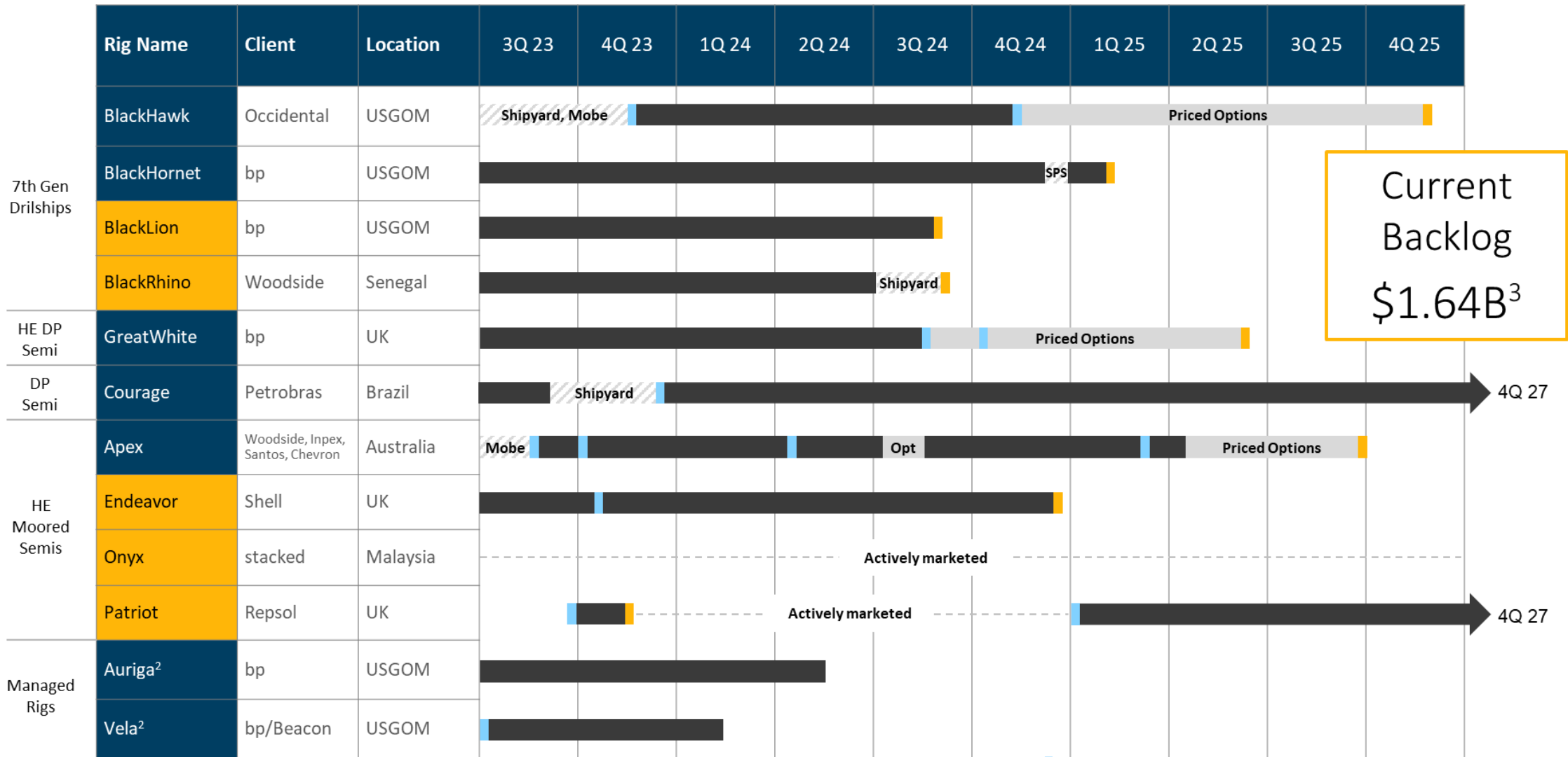
DP/Moored
3%

1) Source: Diamond Offshore marketing analysis – represents opportunities that have been published or privately discussed with operators.

Diamond Offshore Fleet Status¹



Recent contract wins totaling \$240 million for Patriot and GreatWhite



Current Backlog \$1.64B³

Note: HE = Harsh Environment. DP = Dynamically Positioned. Excludes rigs not currently marketed.

1) As of Nov 7, 2023. 2) Managed rigs. Assumes rigs no longer managed after firm term.

3) As of Oct 1, 2023 plus contracts announced Nov 6, 2023

■ Near-term repricing opportunities
 ■ Indicates contracted dayrate increases
 ■ Indicates repricing opportunities

Q4E and Full Year 2023E Guidance (\$M)¹



- Q4E

Contract Drilling Revenue²
\$265 – \$275

Adjusted EBITDA³
\$50 – \$60

CAPEX
\$35 – \$40

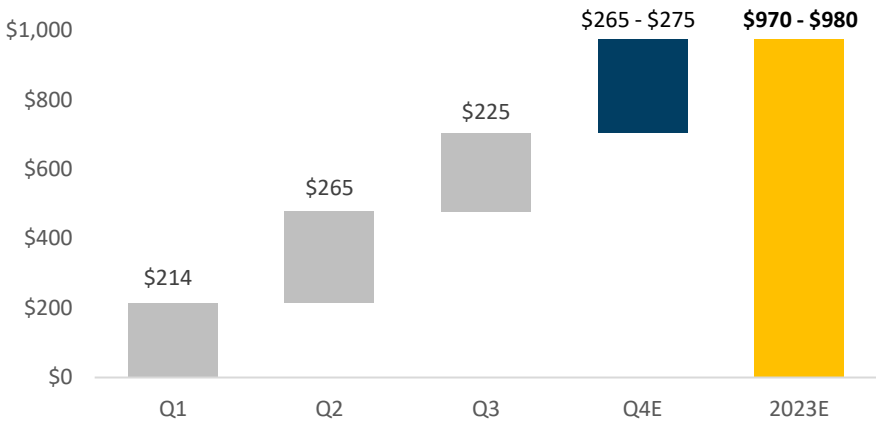
- 2023E

Contract Drilling Revenue²
\$970 – \$980

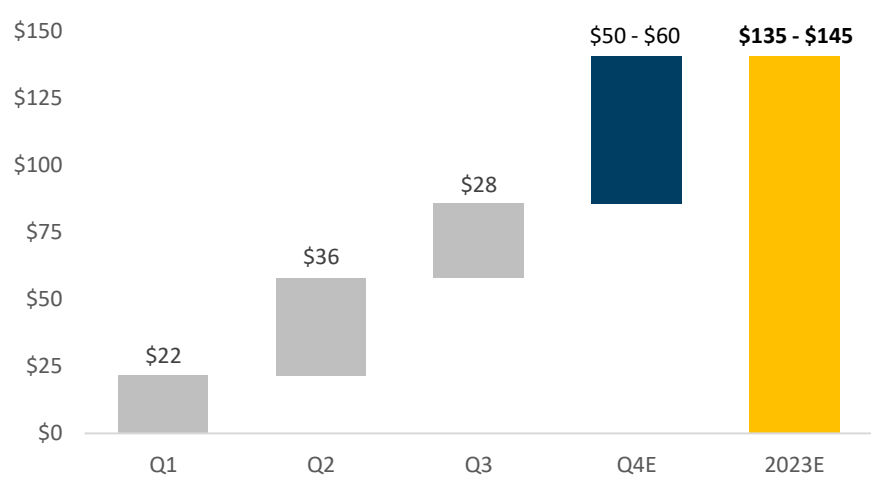
Adjusted EBITDA³
\$135 – \$145

CAPEX
\$130 – \$135

Contract Drilling Revenue



Adjusted EBITDA



1) As of Nov 7, 2023
 2) Includes revenue associated with managed rig contracts, excludes reimbursable revenue
 3) Non-GAAP, excludes asset sales and impairments.

Appendix: Reconciliation to GAAP Measures



Reconciliation of Loss Before Income Tax Benefit (Expense) to Adjusted EBITDA: (In thousands)	Three Months Ended September 30, 2023	Three Months Ended June 30, 2023
As reported loss before income tax benefit (expense)	\$ (19,580)	\$ (4,342)
Interest expense	13,774	12,755
Interest income	(161)	(5)
Foreign currency transaction (gain) loss	(184)	1,968
Loss on extinguishment of long-term debt	6,529	—
Depreciation	27,785	27,906
Gain on disposition of assets	(955)	(1,933)
Other, net	485	(136)
Adjusted EBITDA	\$ 27,693	\$ 36,213



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