



Diamond Offshore

NYSE: DO

Q1 2024 Earnings Call

May 8, 2024

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.

Key Q1 Results and Operational Highlights



Awarded
\$713M
in New Contracts

Earned
\$64M
in Adjusted EBITDA¹

Ocean GreatWhite
Repairs Over
90%
Complete²

- **Ocean BlackLion and Ocean BlackHornet** secured two-year extensions in the U.S. Gulf of Mexico
- **Ocean Patriot** secured two-well P&A contract in the UK North Sea
- **Adjusted EBITDA** exceeded guidance by almost 30%
- **Ocean GreatWhite** repairs nearing completion, expected back on location first half of June
- After the quarter, we secured a one-well contract, representing approximately \$18 million in total contract value for the **Ocean BlackRhino** in Ivory Coast commencing in early 2025

1) Adjusted to exclude the \$10 million insurance deductible associated with a claim for the Ocean GreatWhite.

2) As of May 7, 2024.

Diamond Offshore At a Glance



Backlog¹

~\$1.8B

Avg. Drillship
Dayrate in Backlog

\$437k/d

2024 Projected
EBITDA²

\$225-245M

Liquidity³

\$461M

Share of Fleet
Contracted⁴

83%

Drillship Fleet
with MPD⁵

100%

Owned Fleet

11 rigs

1) As of May 7, 2024.

2) **Includes** the estimated financial impact of the Ocean GreatWhite incident.

3) As of March 31, 2024.

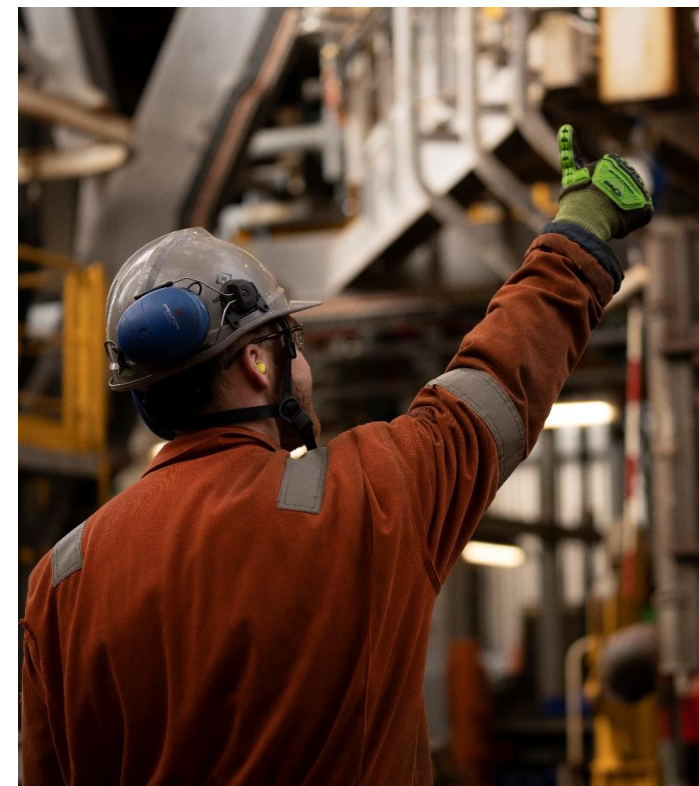
4) Includes managed rig.

5) BlackRhino MPD to be installed in 2024.

Q1 '24 Financial Highlights (\$M)



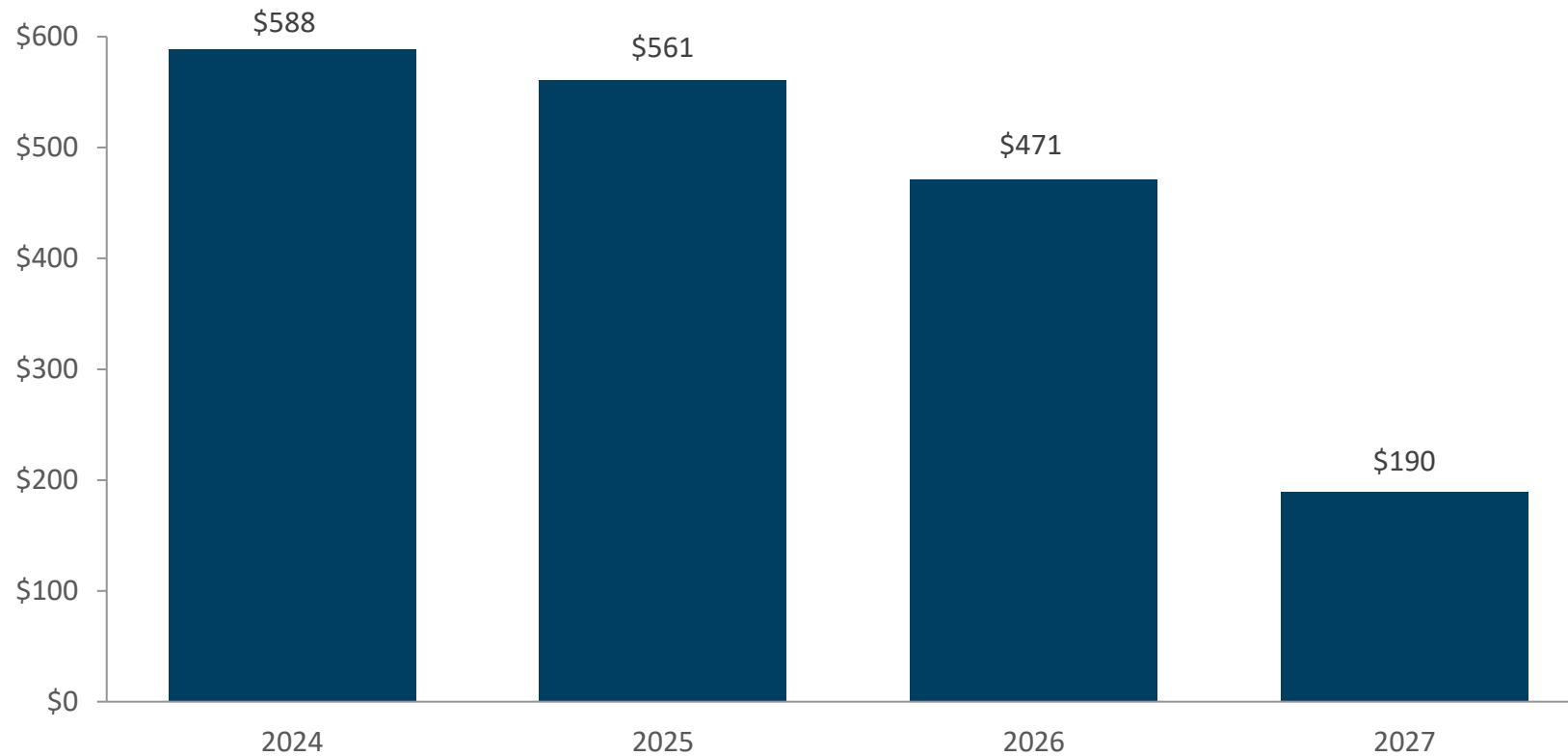
	Q1 2024	Q4 2023
Adjusted EBITDA	\$64 ¹	\$72
Total Revenues	\$275	\$298
G&A Expenses	\$19	\$19
Capital Expenditures	\$28	\$32
Free Cash Flow	\$38	(\$22)
Net Debt ²	\$388	\$426
Liquidity	\$461	\$422
Backlog	\$1,812 ³	\$1,424



- 1) Adjusted to exclude the \$10 million deductible associated with an insurance claim for the Ocean GreatWhite.
- 2) Excludes finance lease liabilities.
- 3) Backlog as of May 7, 2024.



- Current Backlog is ~\$1.8B¹
- Building significant backlog in 2025 and 2026

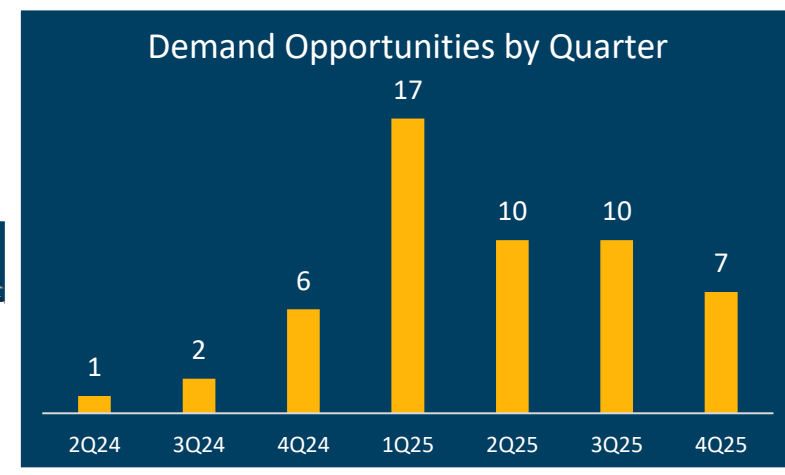


1) As of May 7, 2024.

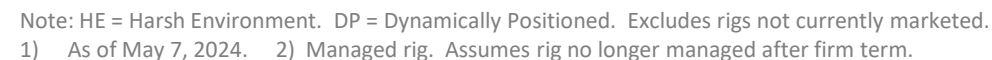
53 Floater Opportunities¹ Commencing through 2025



- **53** opportunities
- **55** rig years of demand commencing by 2025
- **33** customers



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



- Indicates contracted dayrate increases
- Indicates repricing opportunities

Q2E and Updated Full Year 2024E Guidance (\$M)¹



Q2E

Contract Drilling
Revenue^{1,2}
\$230 – \$240

Adjusted
EBITDA^{1,3}
\$55 – \$65

CAPEX¹
\$30 – \$35

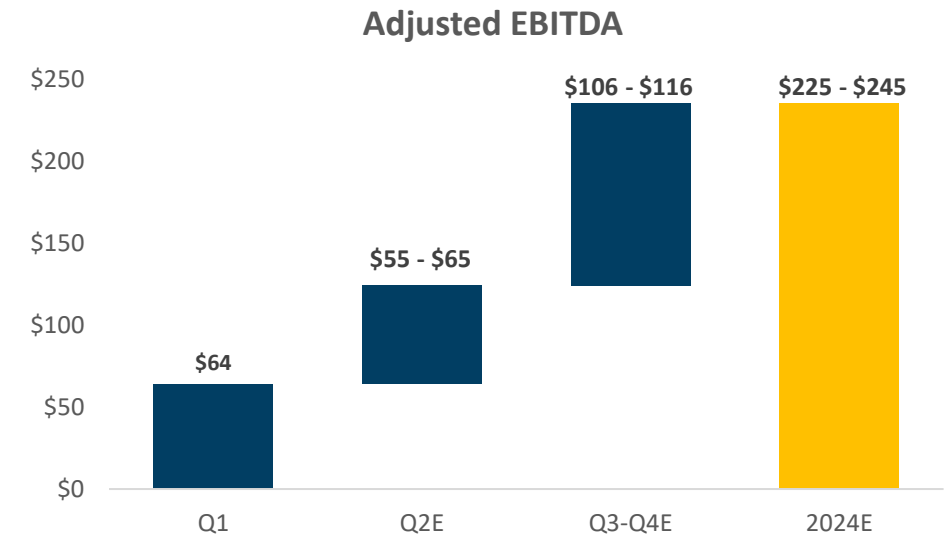
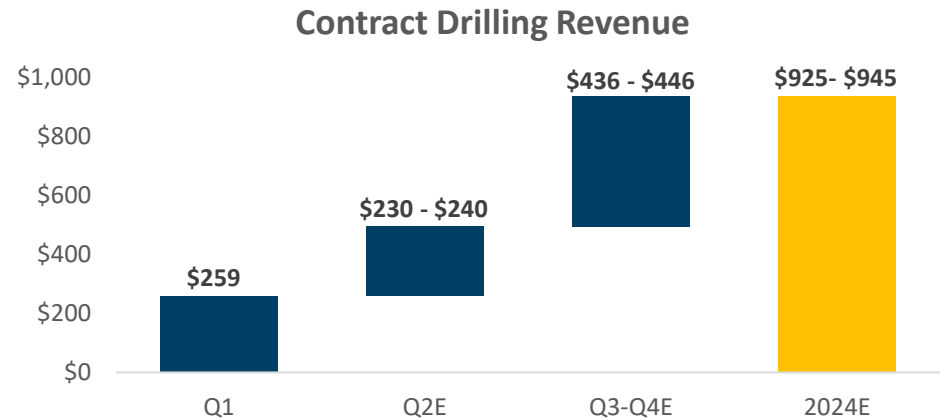
2024E

Contract Drilling
Revenue^{1,2}
\$925 – \$945

Adjusted
EBITDA^{1,3}
\$225 – \$245

CAPEX¹
\$135 – \$145

- 1) **Includes** the estimated financial impact of the Ocean GreatWhite incident.
- 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 Income (Loss) Before Income Tax Expense to Adjusted EBITDA: (In thousands)	Three Months Ended March 31, 2024	Three Months Ended December 31, 2023
As reported income (loss) before income tax expense	\$ 8,401	\$ 28,615
Interest expense	15,346	14,847
Interest income	(1,774)	(1,464)
Foreign currency transaction loss (gain)	(231)	2,863
Depreciation	31,354	27,705
Loss (gain) on disposition of assets	3,396	(280)
Insurance deductible included in contract drilling expense	7,600	—
Other, net	71	54
Adjusted EBITDA ¹	\$ 64,163	\$ 72,340

- 1) Adjusted to exclude the \$10.0 million insurance deductible associated with a claim for the Ocean GreatWhite, of which \$2.4 million and \$7.6 million were recorded as loss on disposition of assets and contract drilling expense, respectively, in the first three months of 2024.



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