



INVESTOR PRESENTATION

Q4 2019








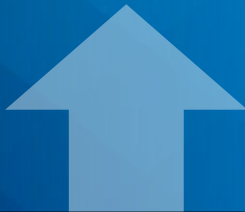
*The Ocean GreatWhite,
currently in the North Sea*

Disclaimer

The statements in this presentation that are not historical facts, including statements regarding future financial 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.

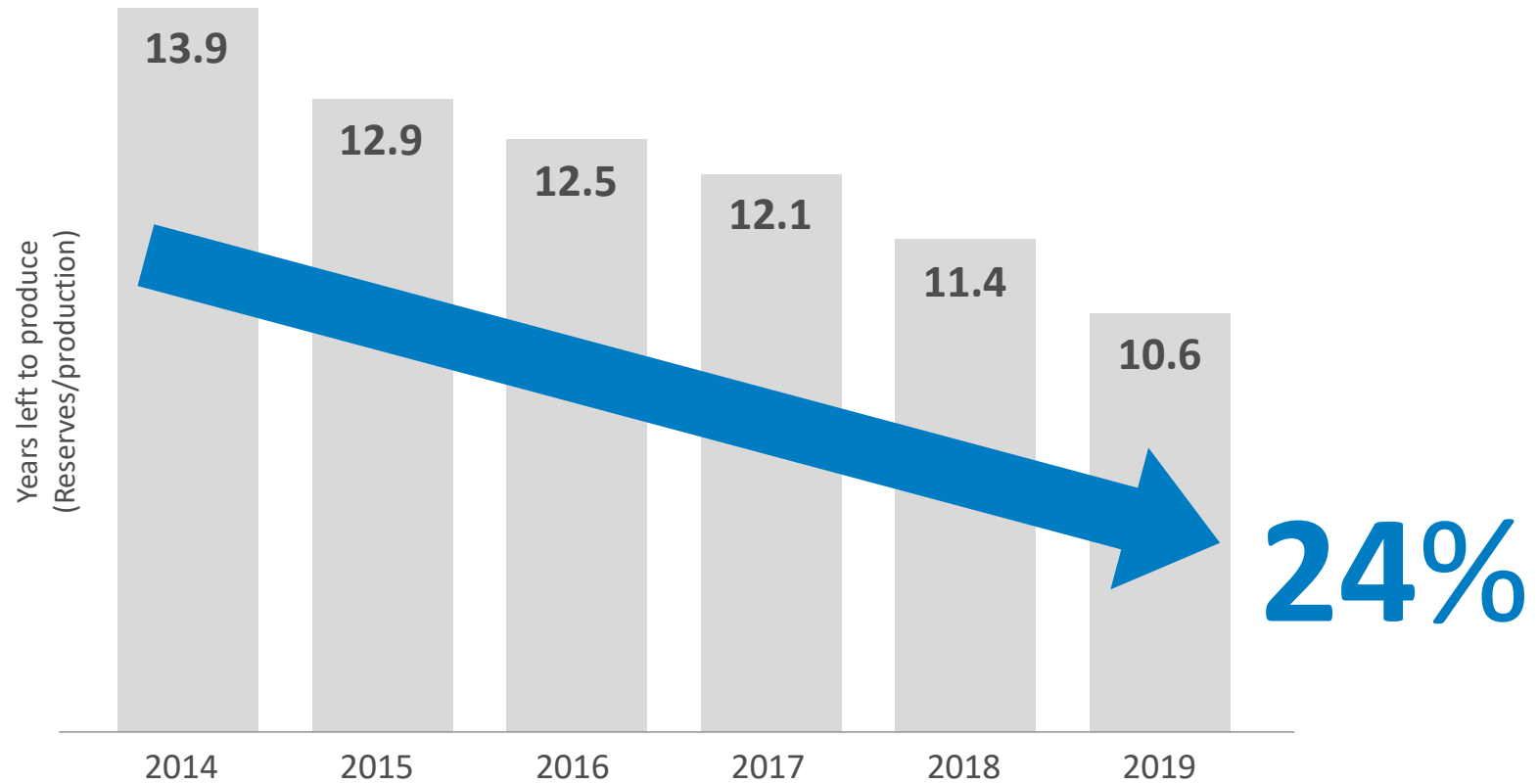
The Company uses non-generally accepted accounting principles (“non-GAAP”) financial measures in this presentation. Generally, a non-GAAP financial measure is a numerical measure of a company’s performance, financial position or cash flows that excludes or includes amounts that are not normally excluded 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.

Majors Communicate on Exploration Resurgence

 <p>Exploration budget ↑ 66%</p>	 <p>Exploration budget ↑ 20%</p>	 <p>Exploration budget ↑ 18%</p>	 <p>Increasing the number of exploration wells</p>
 <p>Exploration in 2019 will be double the size of 2018</p>	 <p>35 exploration wells per year, vs. approximately 20 in 2018</p>	 <p>Approx. 40% CAGR in the number of exploration wells drilled from 2017 to 2021</p>	<p>Exploration budgets are increasing</p> 

Source: Company presentations; Rystad Energy research and analysis

Majors' Depleting Reserves

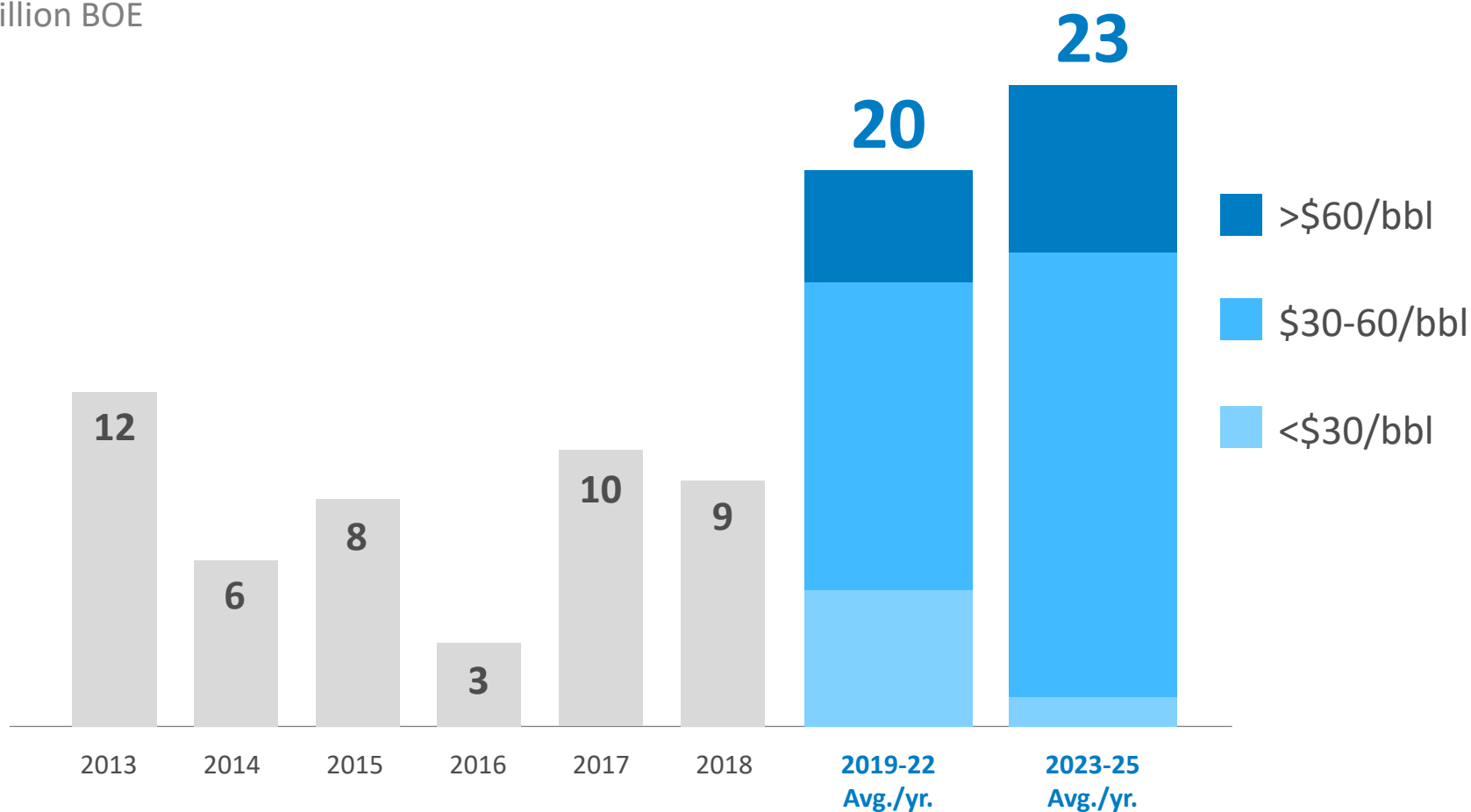


Majors' Proven Liquids Reserves to Production Ratio

Offshore FID Pipeline

Non-OPEC Offshore Oil & Gas Resources


Billion BOE



Source: Rystad Energy research and analysis

Diamond Offshore Overview

**A history of
innovation and
leadership in
offshore drilling**



**A history of safety
and operational
excellence**



**Disciplined capital
allocation**



- 15 offshore drilling units: 4 drillships + 11 semisubmersibles⁽¹⁾
- ~2,300 employees worldwide⁽²⁾
- Headquartered in Houston with primary offices in Australia, Brazil, and the UK
- 53% ownership by Loews Corporation (NYSE: L)

(1) As of 10/28/19. Excludes one rig being marketed for sale.

(2) As of 12/31/18

Differentiated Position with Best-in-Class Performance



Employ **unique, innovative technologies** that deliver **superior performance** and **improved economics** to Diamond Offshore and our customers



Focus on the underserved and improving **moored market** through investment in our moored semi assets

Differentiated Position with Best-in-Class Performance



Employ **unique, innovative technologies** that deliver **superior performance** and **improved economics** to Diamond Offshore and our customers

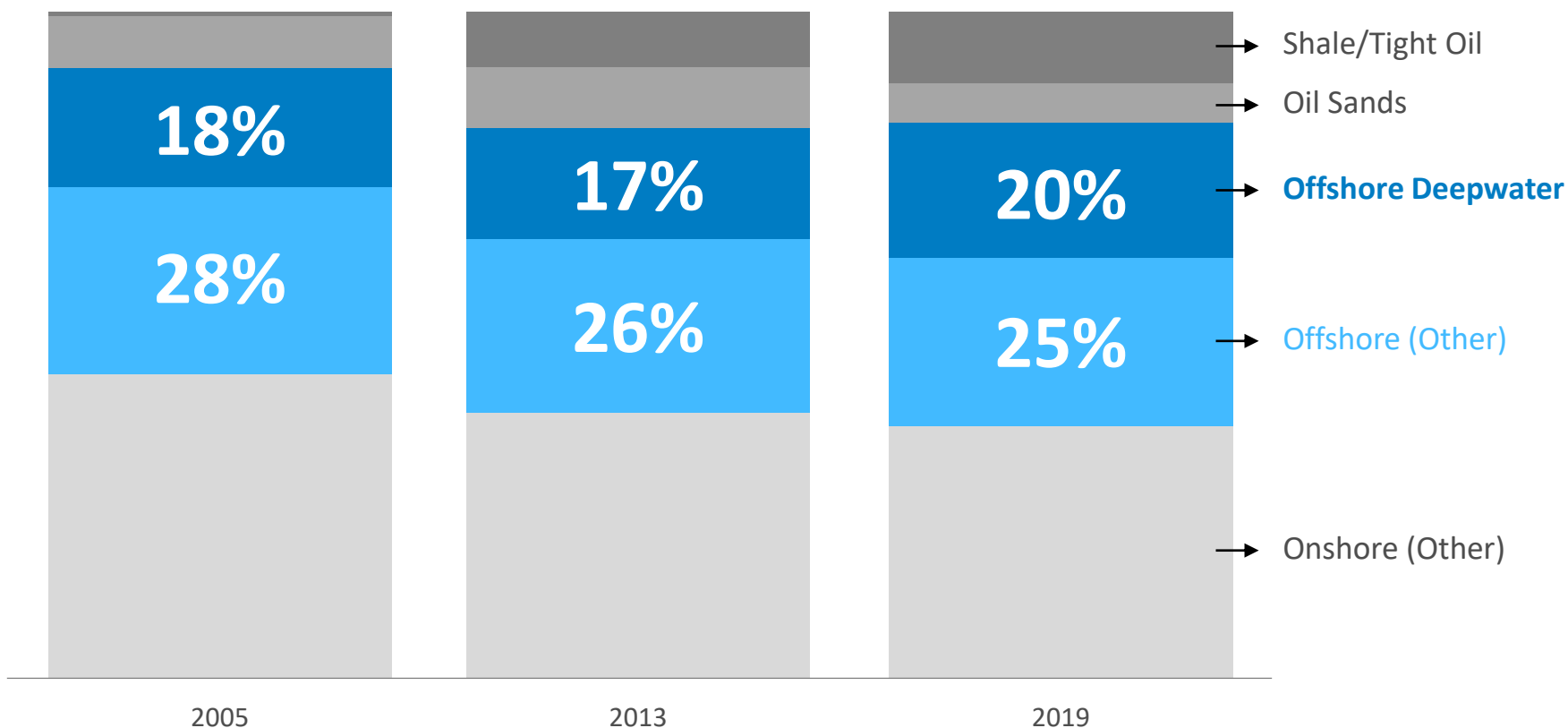


Focus on the underserved and improving **moored market** through investment in our moored semi assets

Deepwater Remains Important in Majors' Portfolios

Majors' Proven Liquids Reserves, by Supply Source

Billion BOE



Source: Rystad Energy research and analysis

Subsea performance
**NPT under
0.7%**

First oil **6 months ahead**
of schedule with a **20% cost savings**
or \$1.2 billion under budget

Wells delivered
54 days ahead
of schedule

Differentiated



Performance

3 of 4
most efficient wells
drilled in GoM

28,000 ft
drilled in 38 days

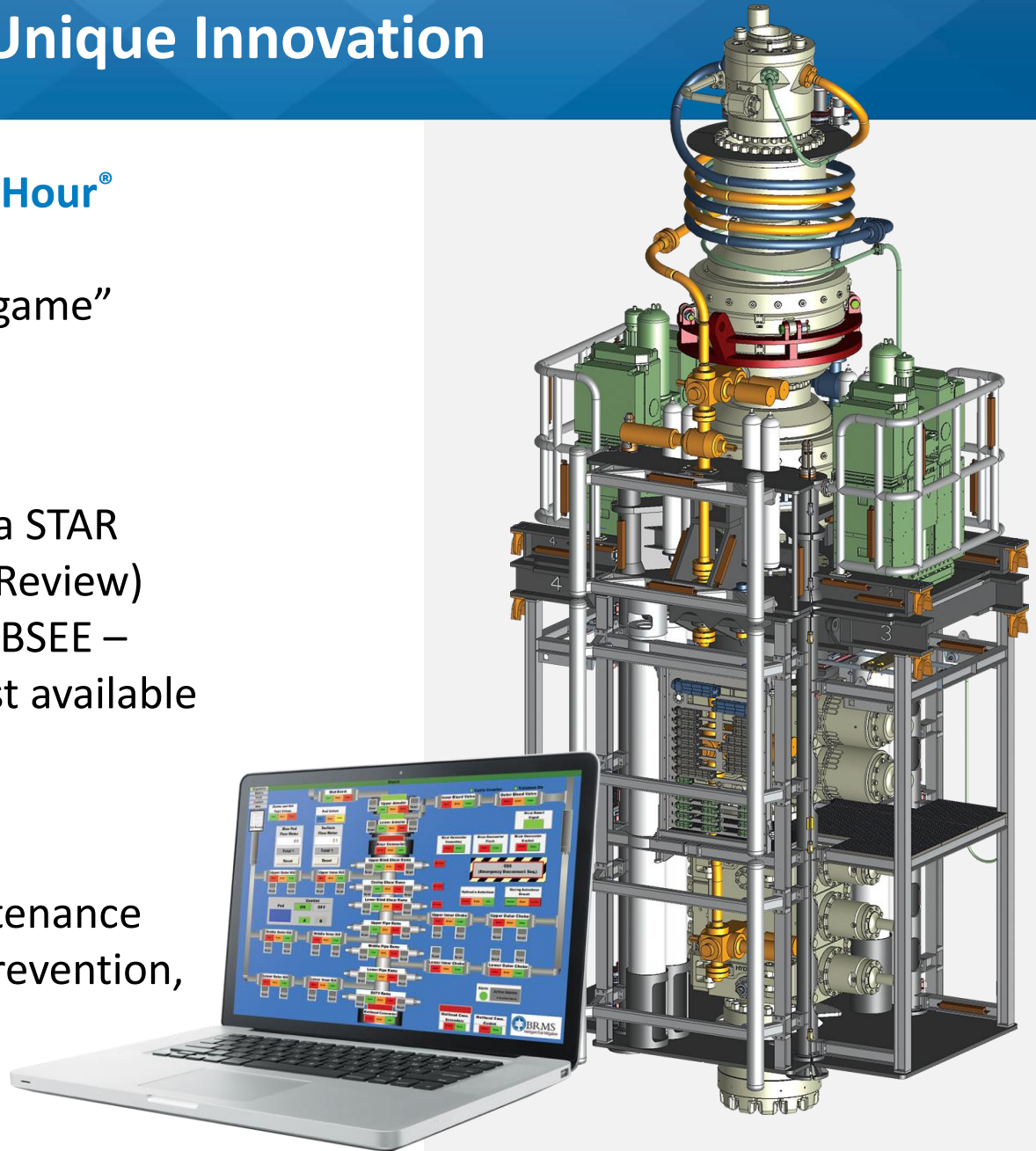
All drillships
contracted
above market
rates through 2022

safest year
on company record
in 2018

97% uptime
in 2018

Results Driven by Unique Innovation

- **Pressure Control by the Hour®**
Exclusive service model,
gives OEMs “skin in the game”
- **Sim-Stack® Service**
Underlying technology,
received designation as a STAR
(Safety, Technology and Review)
initiative from regulator BSEE –
one of the industry’s best available
and safest technologies
- **Stack-View™ Service**
Enables predictive maintenance
and subsea downtime prevention,
improving reliability
and reducing costs



Differentiated Position with Best-in-Class Performance

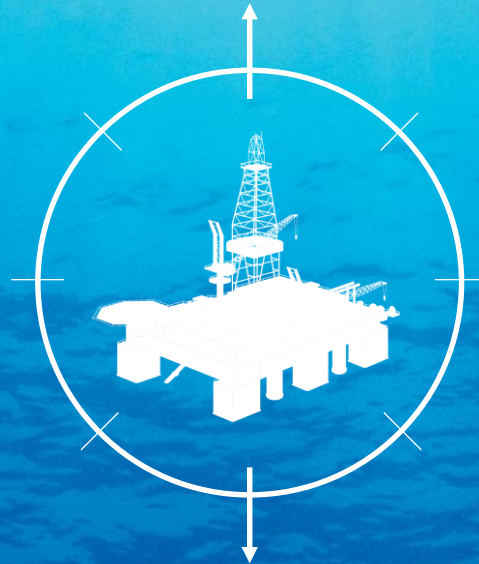


Employ unique, innovative technologies that deliver superior performance and improved economics to Diamond Offshore and our customers



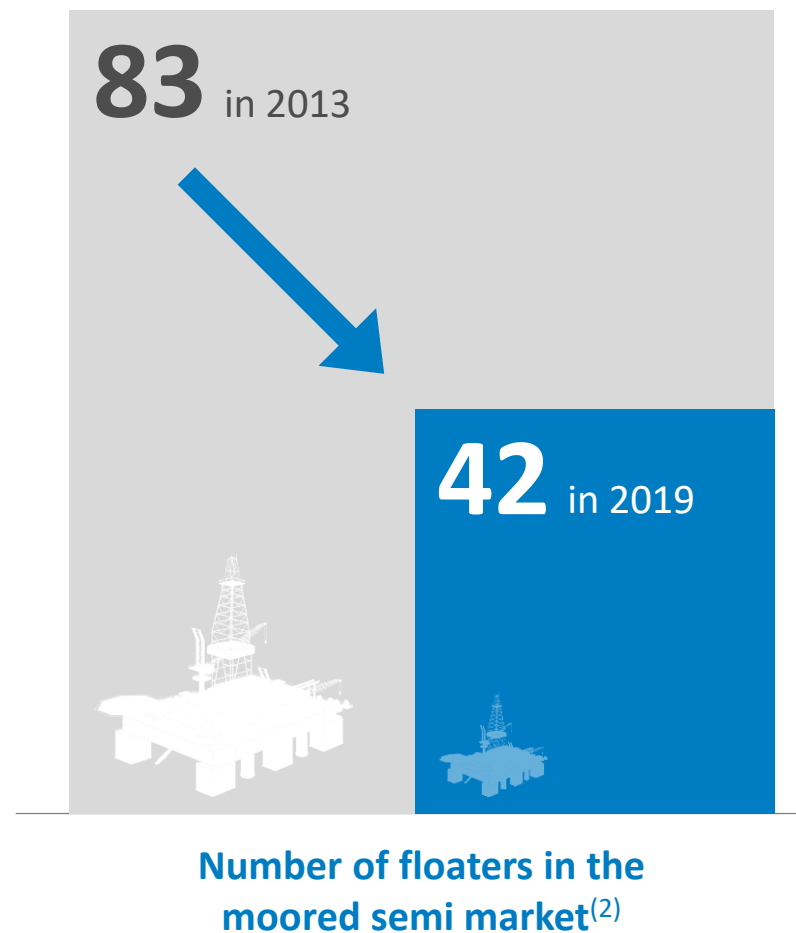
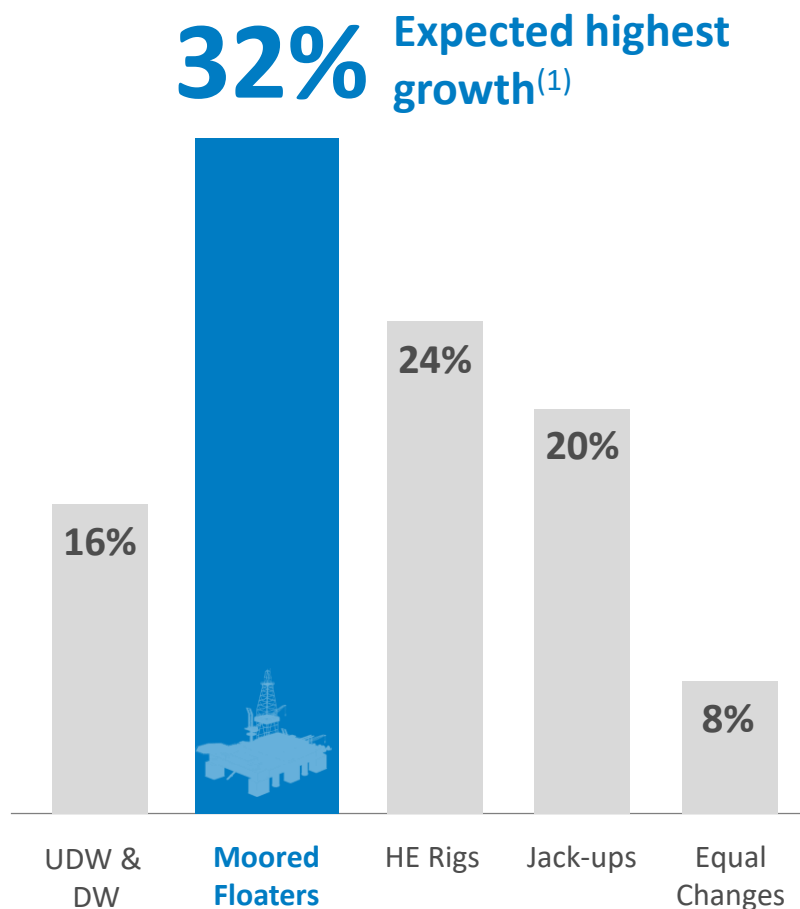
Focus on the underserved and improving **moored market** through investment in our moored semi assets

Moored market is improving and underserved



Diamond is **uniquely positioned**

Moored Semis – Improving and Underserved Market



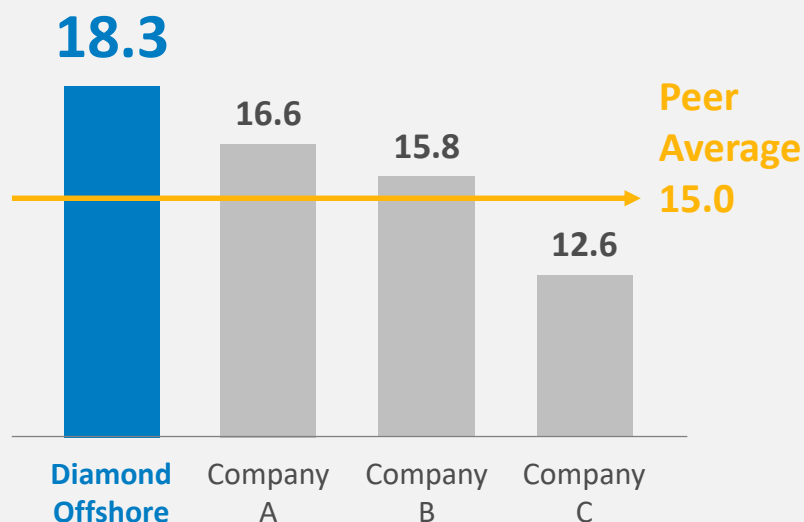
1) Source: Clarkson Platou Securities AS (2018 survey)

2) Source: Rystad Energy - Includes floaters with mooring only. Excludes non-competitive units

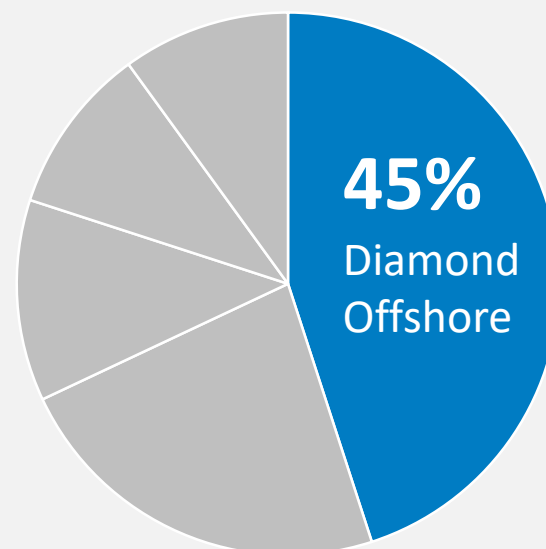
Moored Semis – Diamond is Uniquely Positioned

Most Desirable Fleet

Average Rig Score



Largest Backlog – 2x our next competitor



Ocean Onyx Upgrade

Estimated Cost Breakdown

53%

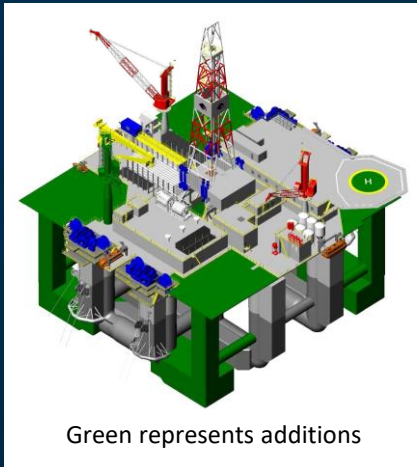
Rig Upgrade

34%

Reactivation

13%

Contract Prep



Term contract
with Beach
Energy

Strong regional
demand in
Australasia

Increased
efficiency for
development
drilling

Double the size
of a Victory
class rig

Useful life
beyond
20 years

Ocean Endeavor Upgrade / Reactivation

Estimated Cost Breakdown

- 39%** Rig Upgrade
- 21%** Maintenance & Survey
- 20%** Reactivation
- 20%** UK Compliance

Term contract
with Shell

North Sea
market
improving

Increased
efficiency for
development
drilling

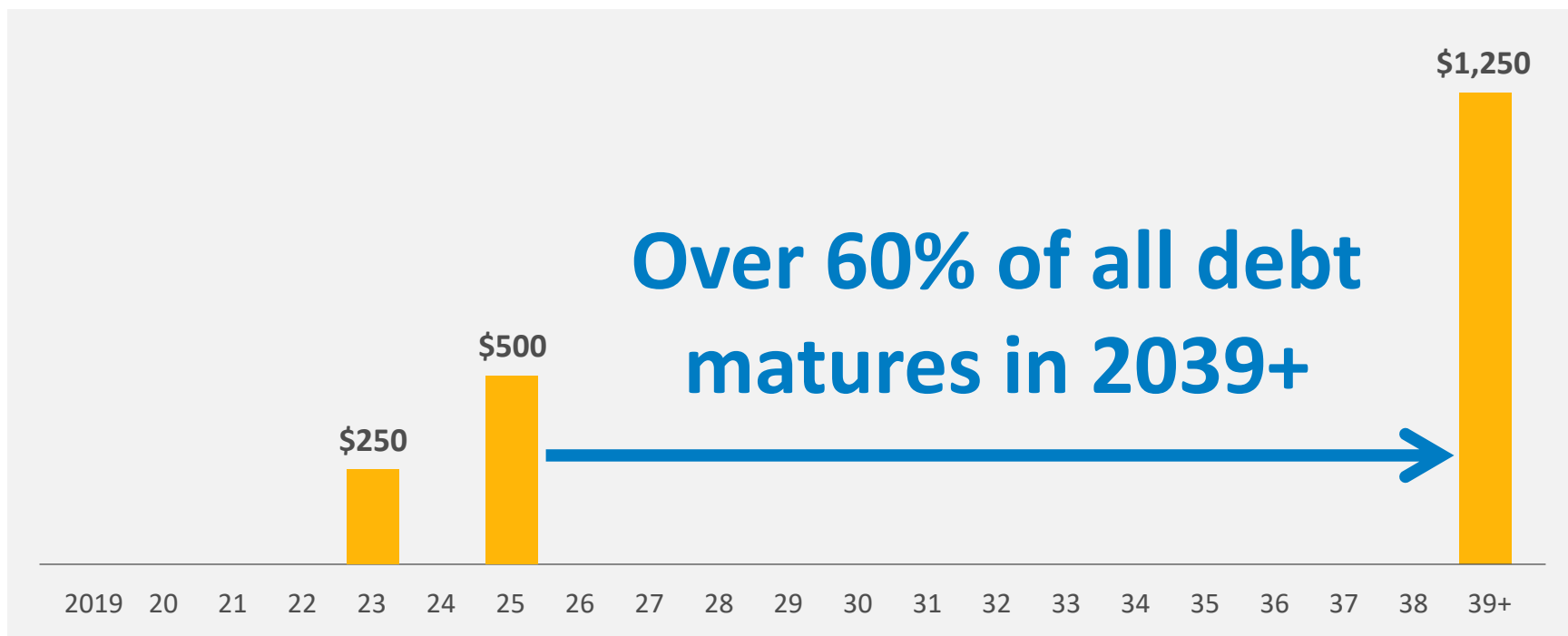
Harsh
environment
capable

Excellent
track record
with IOCs

Favorable Debt Maturity Schedule

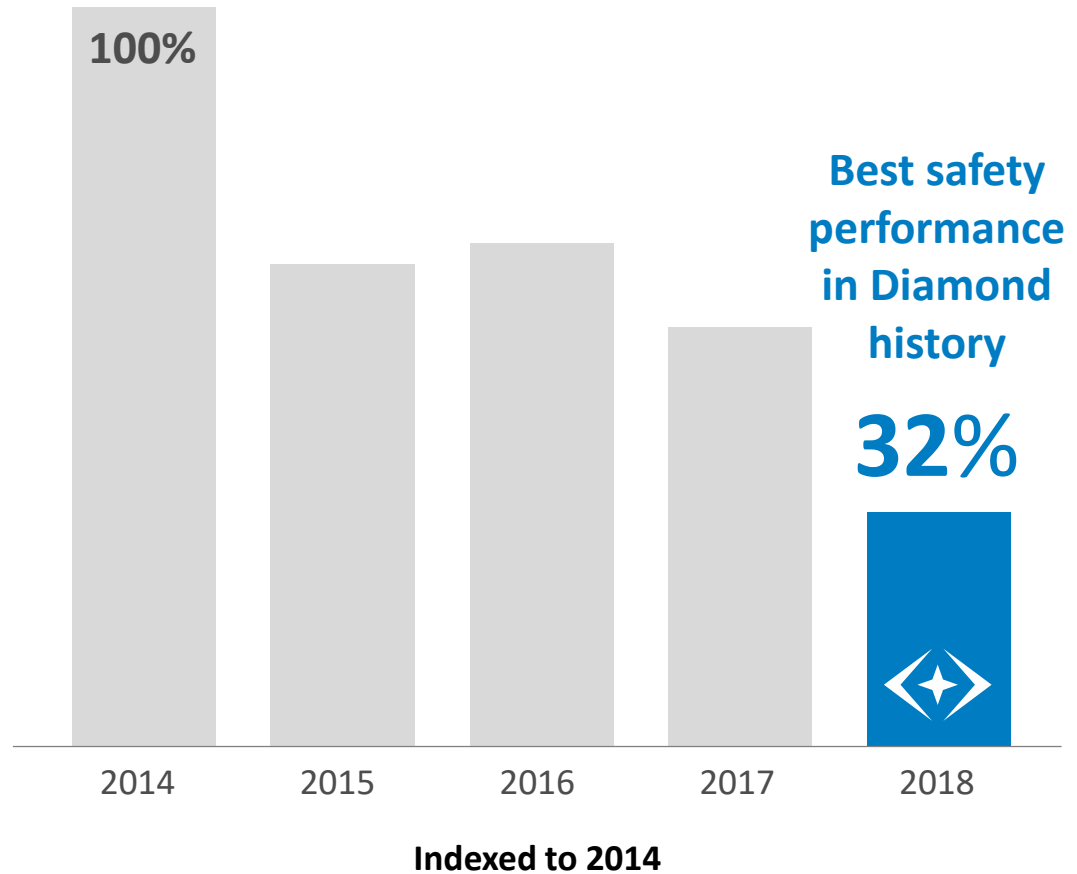
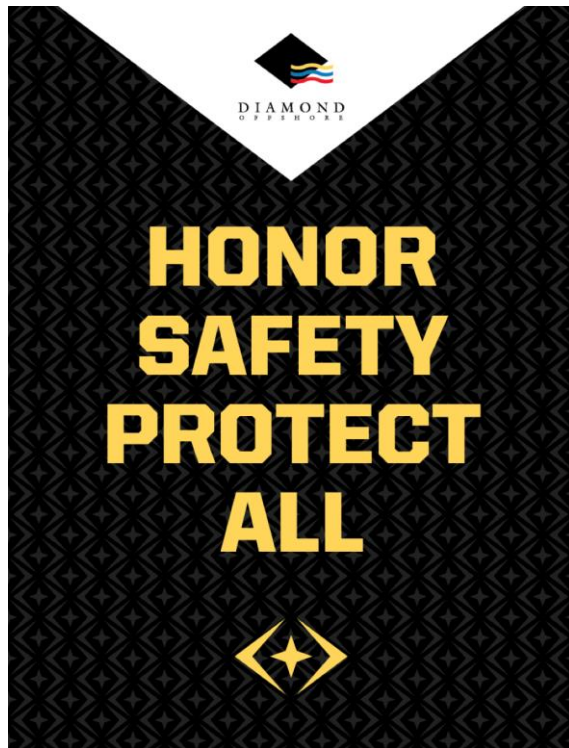
Debt Maturity Profile

in Millions



- Next maturity not until November 2023
- \$950 million undrawn credit facility maturing in Q4 2023

HSE – Total Recordable Incident Rate Performance



Summary

**Majors indicating
exploration / FID
resurgence**



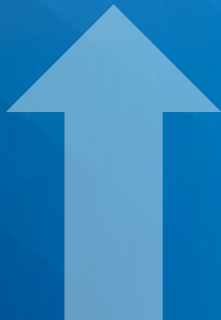
**Differentiation delivers
success for Diamond
and value to
our customers**



**Uniquely positioned
to capture
underserved and
improving moored
semi market**



**Favorable debt
maturity schedule**



**Excellent
safety record**



Investor Relations

Samir Ali

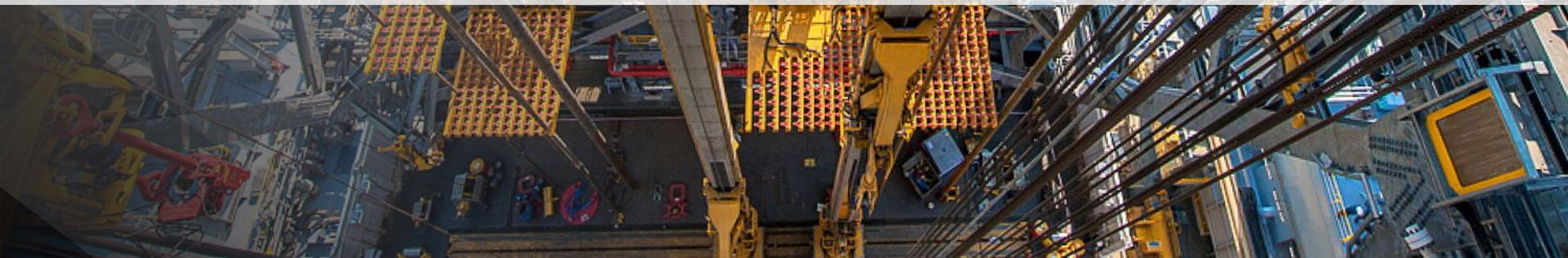
Vice President – Investor Relations
& Corporate Development

Phone: **281.647.4035**

E-mail: **ir@dodi.com**

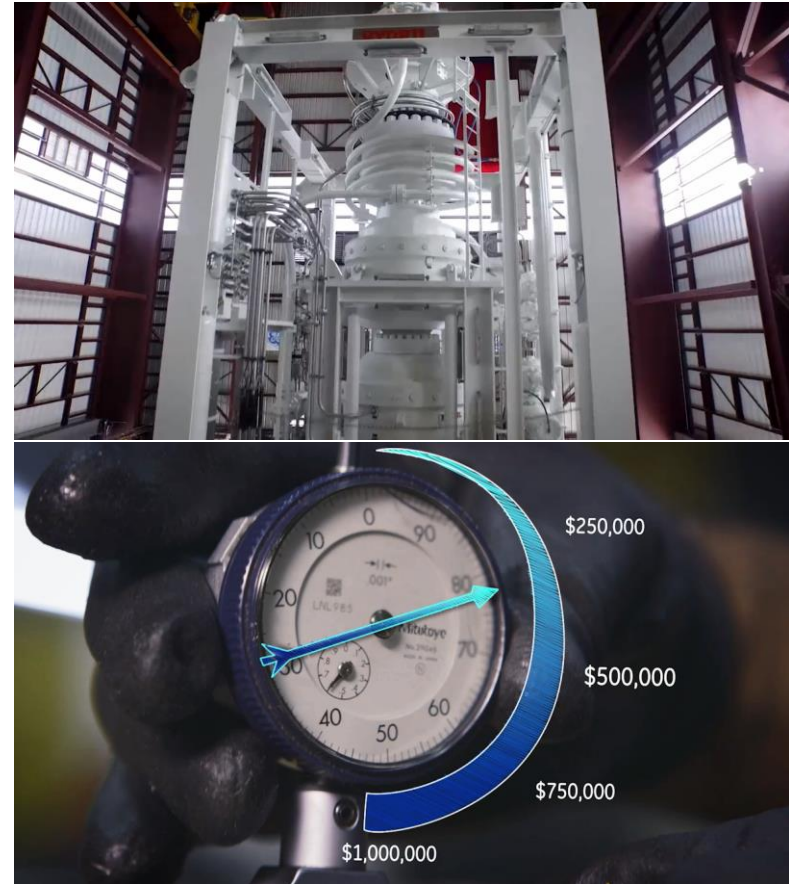


Appendix



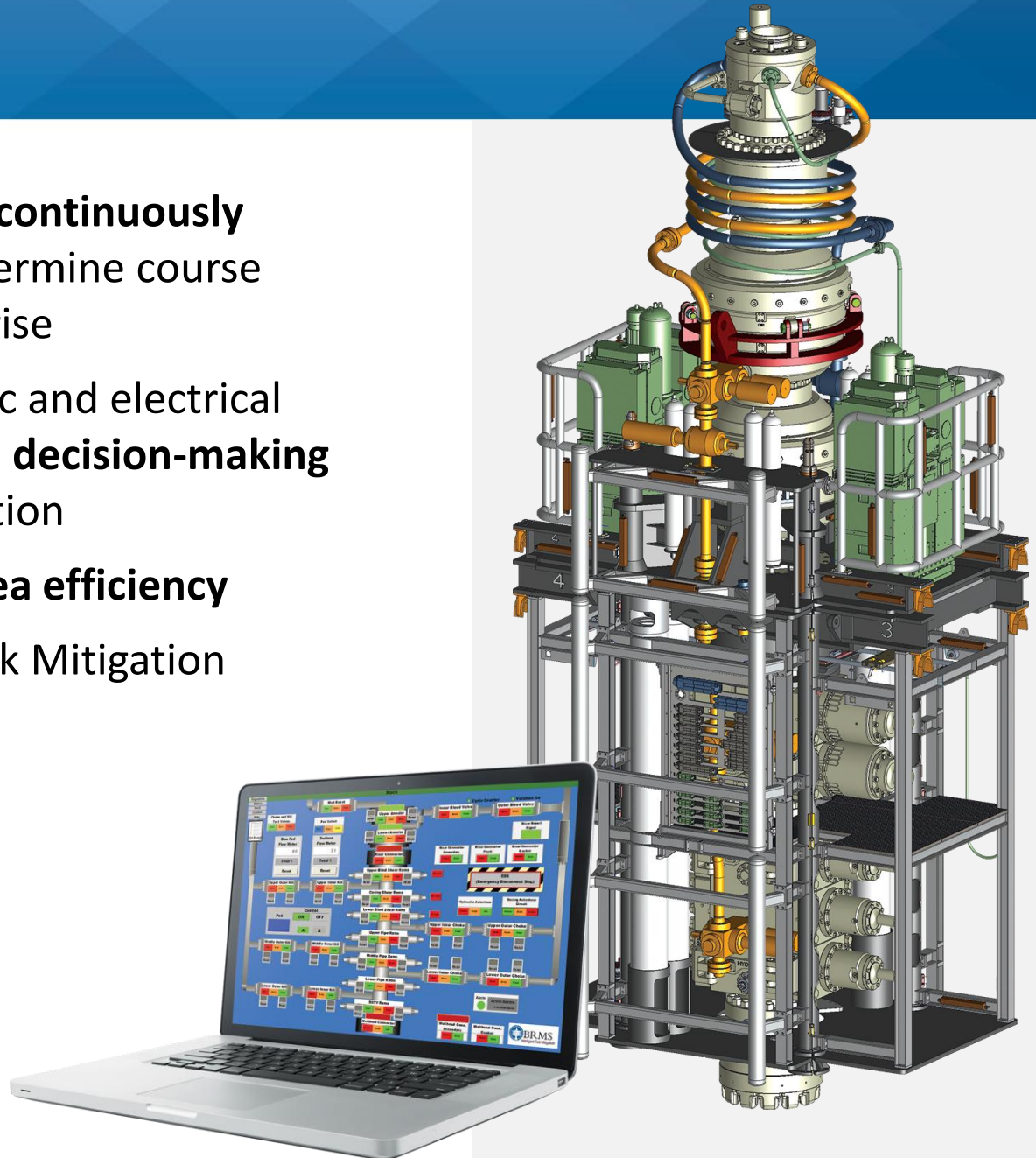
Pressure Control by the Hour[®]

- Baker Hughes owns and maintains the BOP
- \$210mm received for sale of BOP from Baker Hughes
- **Pay-for-uptime** commercial model drawn from aviation industry
- **Performance bonus**/malice annually
- **Shared commitment** to reliability and continuous improvement
- Implemented on our drillships, with **record low subsea downtime**



Sim-Stack® Service

- Cybernetic BOP service **continuously assesses status** and determine course of action when issues arise
- **Replicates BOP** hydraulic and electrical conditions **to accelerate decision-making** with advanced visualization
- Enables **improved subsea efficiency**
- Developed with BOP Risk Mitigation Services



Stack-View™ Service

- Real-time BOP monitoring, data analytics to **identify trends and detect anomalies** in BOP performance
- **Enables predictive maintenance and subsea downtime prevention**, improving reliability and reducing costs
- **Future integration capability with Sim-Stack® service** and other systems, enabling transition to conditioned-based maintenance
- **Supports operators with BSEE's 21-day BOP pressure testing frequency requirements**, improving operational efficiency of a drilling campaign

