



DIAMOND
OFFSHORE

Investor Update February 2023



● Disclaimer

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.

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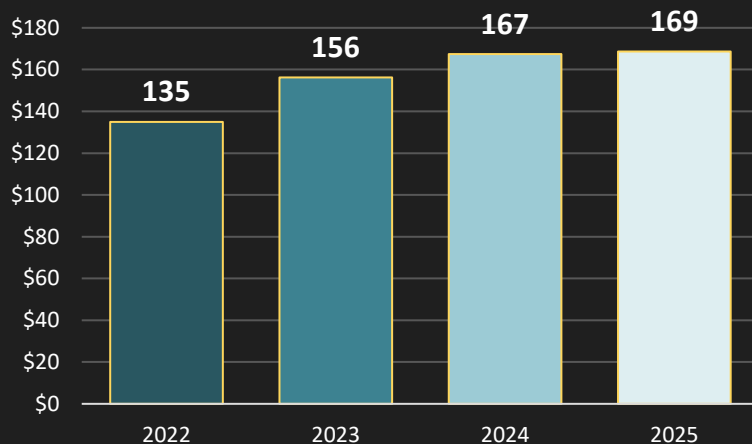
Market Fundamentals



● Energy Poised for Multi-Year Upcycle

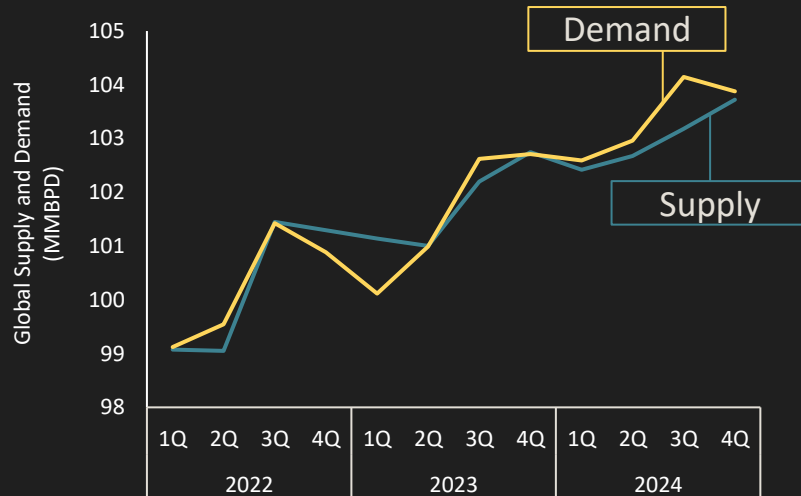
- Offshore E&P Capex increasing through '25 with oil supply deficit 2H '23 through '24

Offshore E&P Capital Expenditure (\$B)



Source: Rystad Energy - CAPEX includes brownfield and greenfield development, exploration activity

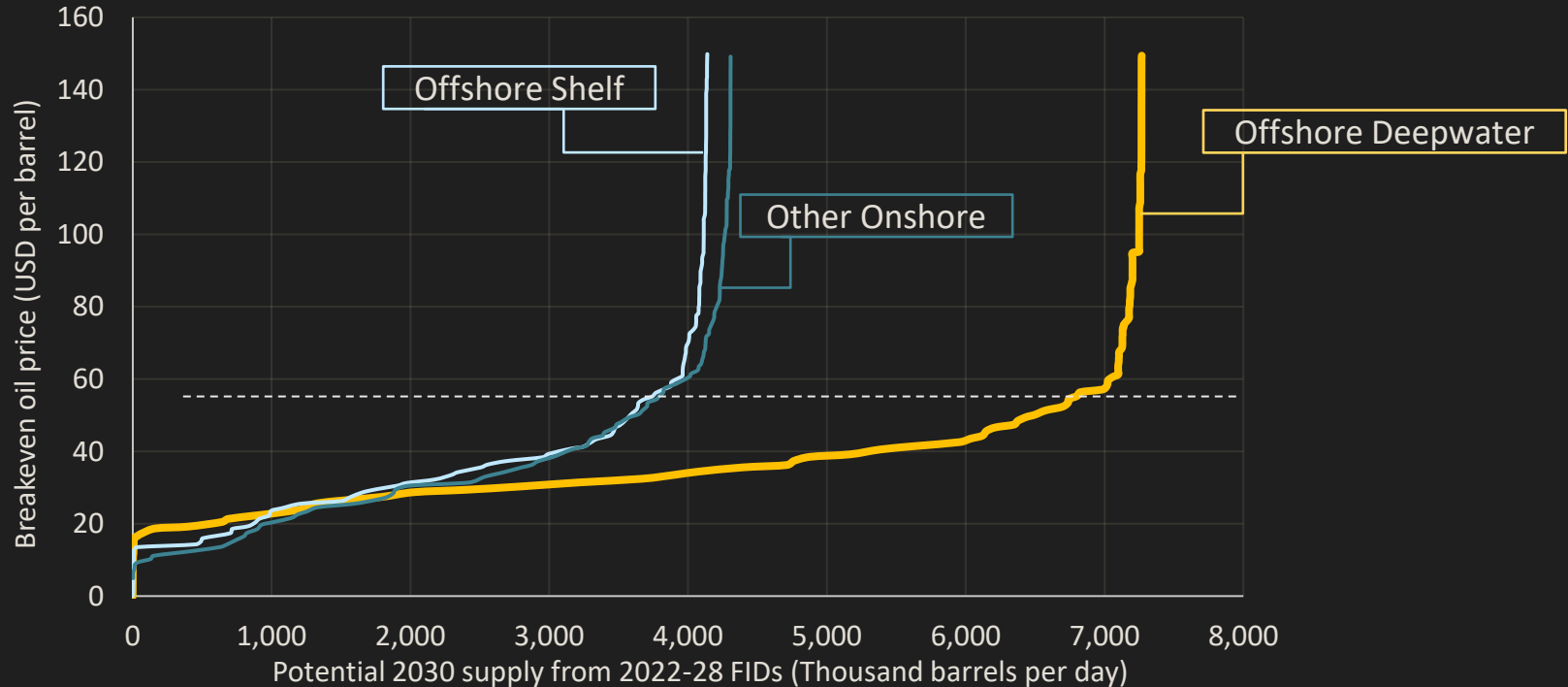
Oil Supply / Demand



Source: IEA, OPEC, JODI, Kayrros, Woodmac, ICIS, SCI, EIA, National sources, Goldman Sachs Global Investment Research

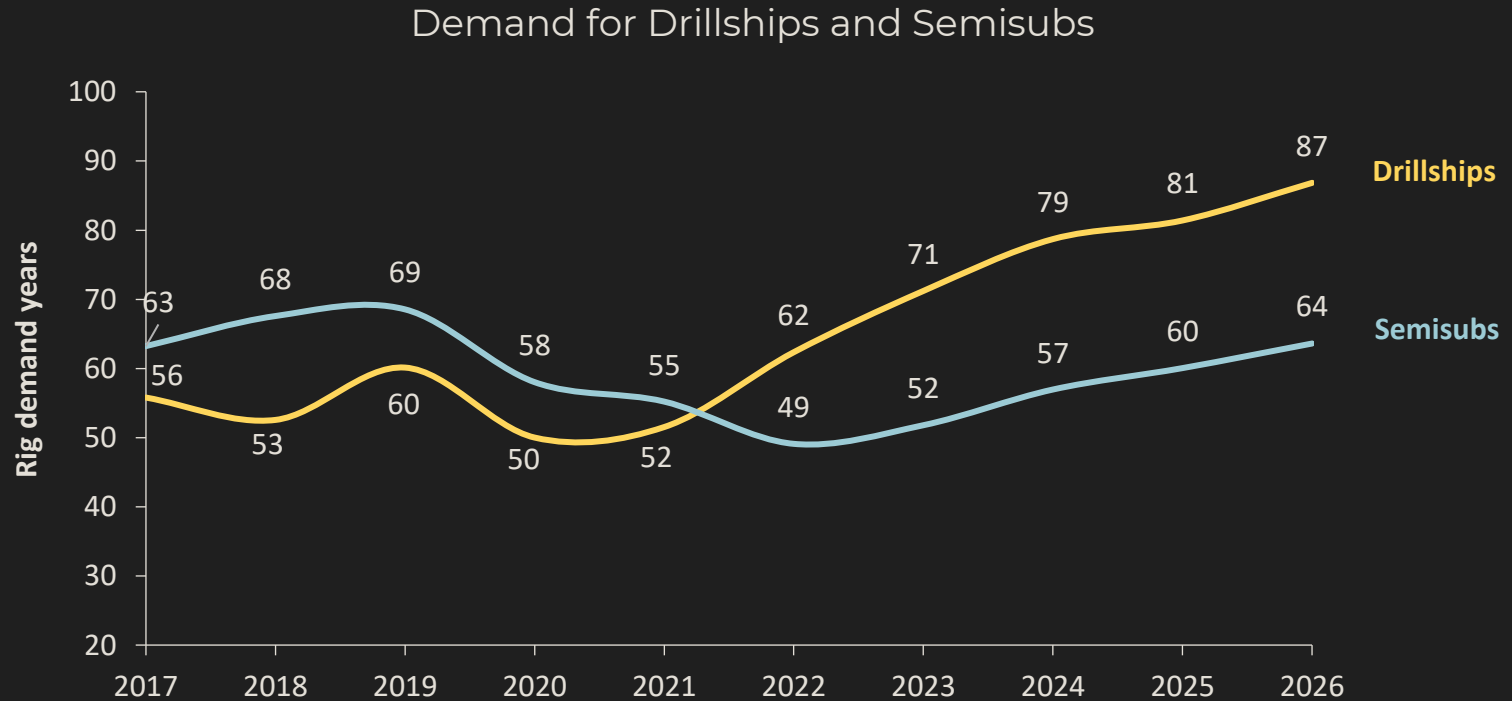
● Significant Supply Potential from Deepwater FIDs

Deepwater FIDs are structurally advantaged due to the productivity and breakeven cost basis as compared to offshore shelf and onshore projects



Source: Rystad

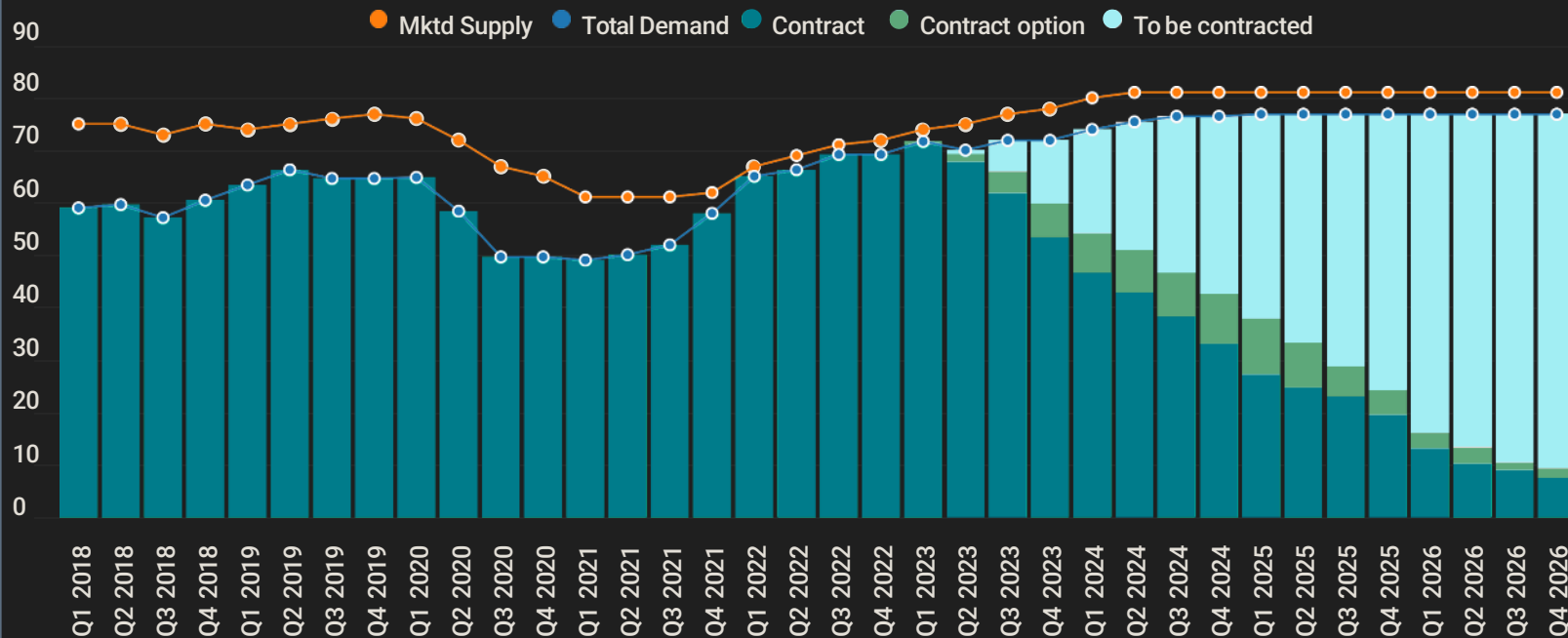
● Drillship and Semisubmersible Demand Increasing



● Drillship Market Remains Tight Through 2026

Demand increases support continued strong dayrate environment

Supply & Demand | Number of drillships

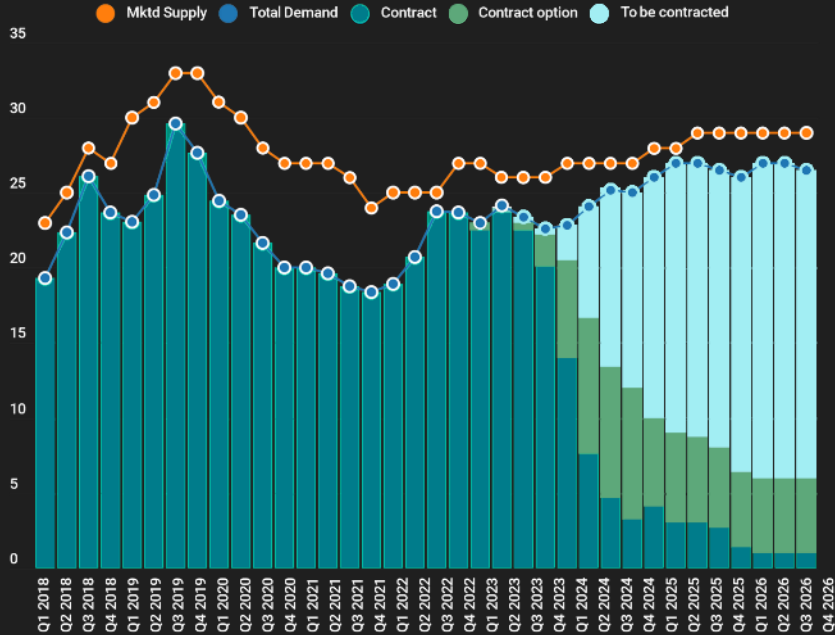


Before 2023: figures represent the number of rigs under a contract during the majority of the quarter; Post 2023: figures represent the average contracted rig count during the quarter. Contracted includes contracts on standby, and contract awards under discussion, such as LOIs and LOAs

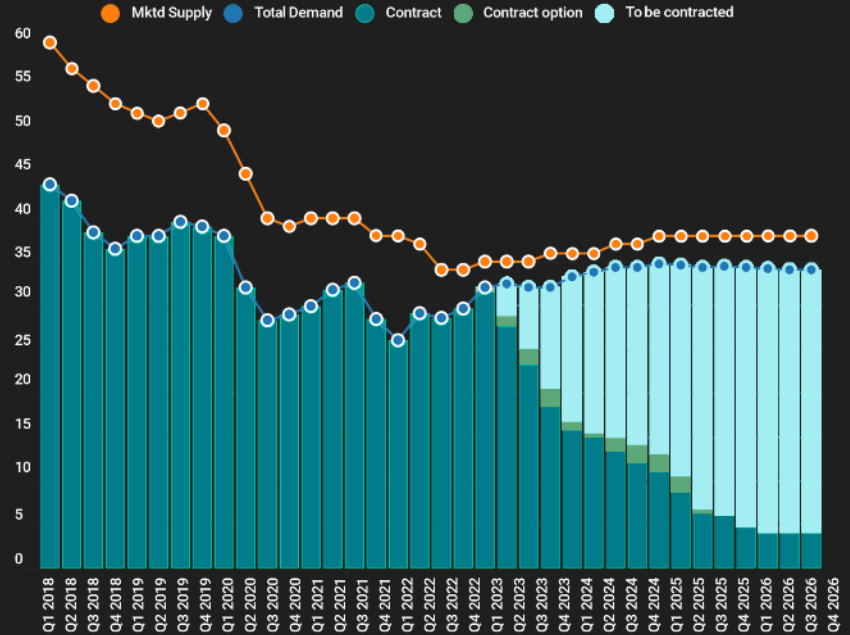
● Semisubmersible Supply and Demand Tightening

Demand increases in both Harsh and Benign markets driving improved dayrates

Supply & Demand | Harsh Semisubs | Number of rigs



Supply & Demand | Benign Semisubs | Number of rigs

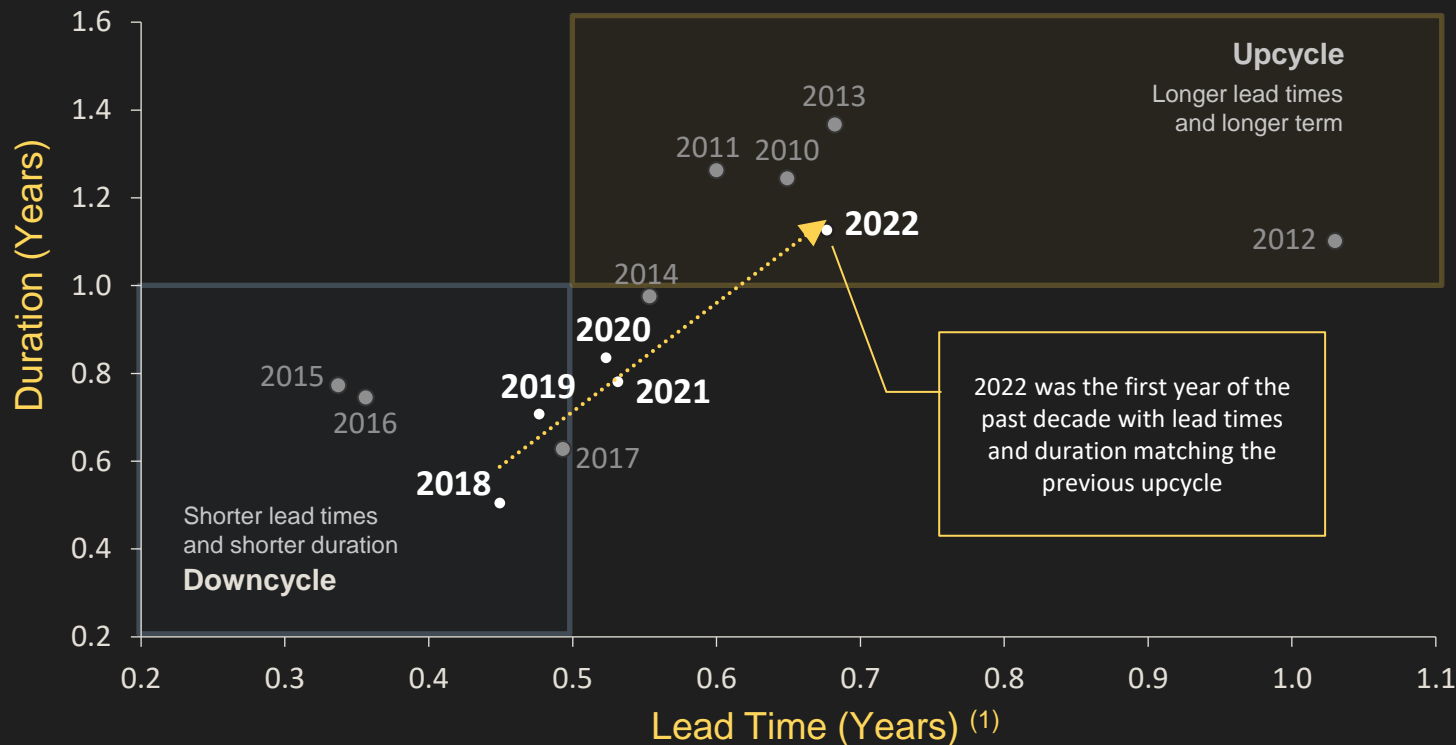


Excludes non-competitive rig markets (China, Russia, Azerbaijan)

Before 2023: figures represent the number of rigs under a contract during the majority of the quarter; Post 2023: figures represent the average contracted rig count during the quarter. Contracted includes contracts on standby, and contract awards under discussion, such as LOIs and LOAs.

Source: spinergie™. As of January 2023

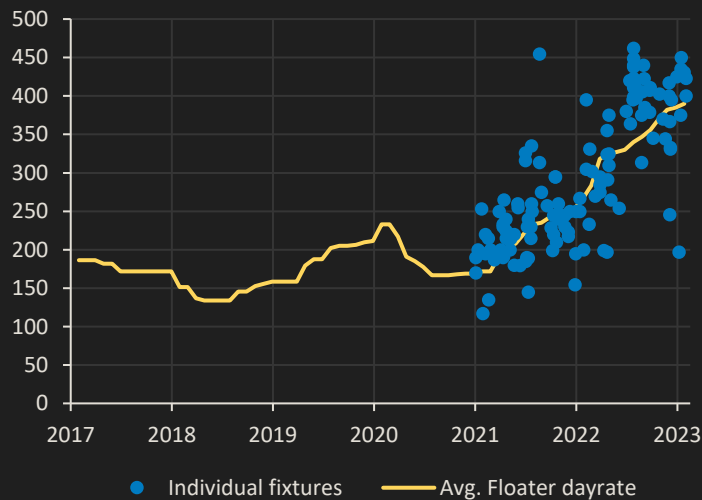
● Contract Lead Time and Duration Return to Upcycle Levels



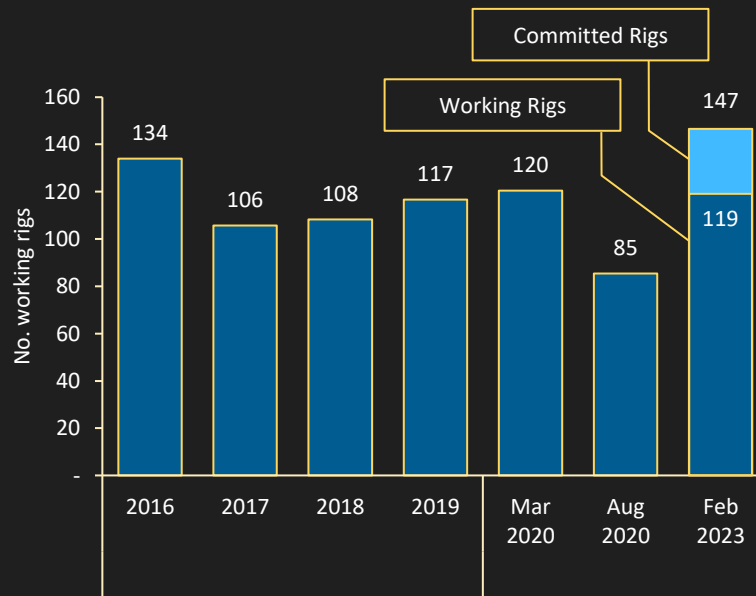
1) Represents time from contract execution to contract commencement

UDW Dayrates and Floater Demand Increasing

Drillship Rates Continue to Rebound From Cyclical Lows



Committed Floaters Now Exceed 2016 Levels



2

Diamond Offshore

Investment Highlights and
Financial Profile



● Key Investment Highlights

Recovery in Offshore Drilling

Taking advantage of continued market recovery to deliver meaningful cashflow improvement across geo-diverse operating theaters

Proven Track Record

2022 wins totaling \$1.3 billion in backlog reflect strong customer relationships, operational excellence and safety performance

Repricing Opportunities

Significant repricing opportunities for 2 BlackShips and 2 semis over the next twelve months

Capital Allocation Favors Offshore

Deepwater economics and lower carbon intensity drive capital allocation toward offshore drilling

Leading Moored Provider

Moored fleet serves key clients in established drilling markets including Australia and the UK

Optionality

Backlog build at leading-edge rates strengthens Diamond as a standalone platform, while potentially enabling an acquisition or consolidation

● Diamond Offshore Contract Coverage

Solid near-term contract coverage with upside exposure in 2023/2024 and beyond

Rig Name	Type	Client	Location	1Q 23	2Q 23	3Q 23	4Q 23	1Q 24	2Q 24	3Q 24	4Q 24	1Q 25
BlackLion	Drillship	bp	US GOM									
BlackHornet	Drillship	bp	US GOM									
BlackHawk	Drillship	Woodside	Senegal									
BlackRhino	Drillship	Woodside	Senegal									
Endeavor	HE Moored Semi	Shell	UK									
Patriot	HE Moored Semi	Apache	UK									
Apex	HE Moored Semi	Multiple	Australia									
Courage	DP Semi	Petrobras	Brazil									
GreatWhite	HE DP/Moored Semi	bp	UK									
Auriga ⁽³⁾	Drillship	bp	US GOM									
Vela ⁽³⁾	Drillship	BOE/bp	US GOM									
Onyx	HE Moored Semi	Stacked	Malaysia									
Monarch	HE Moored Semi	Stacked	Malaysia									
Valiant	HE Moored Semi	Stacked	UK									

Note: HE = Harsh Environment. DP = Dynamically Positioned.

(1) As of January 1st, 2023

(2) Does not include priced options on the Ocean BlackRhino, Ocean BlackHawk, Ocean GreatWhite and Vela.

(3) Assumes rigs no longer managed after firm term (or priced option periods if exercised).

Backlog ~ \$1.8B^{1,2}

- Harsh Environment Semis Going to Work



Ocean GreatWhite

Anticipated to commence
contract March 2023

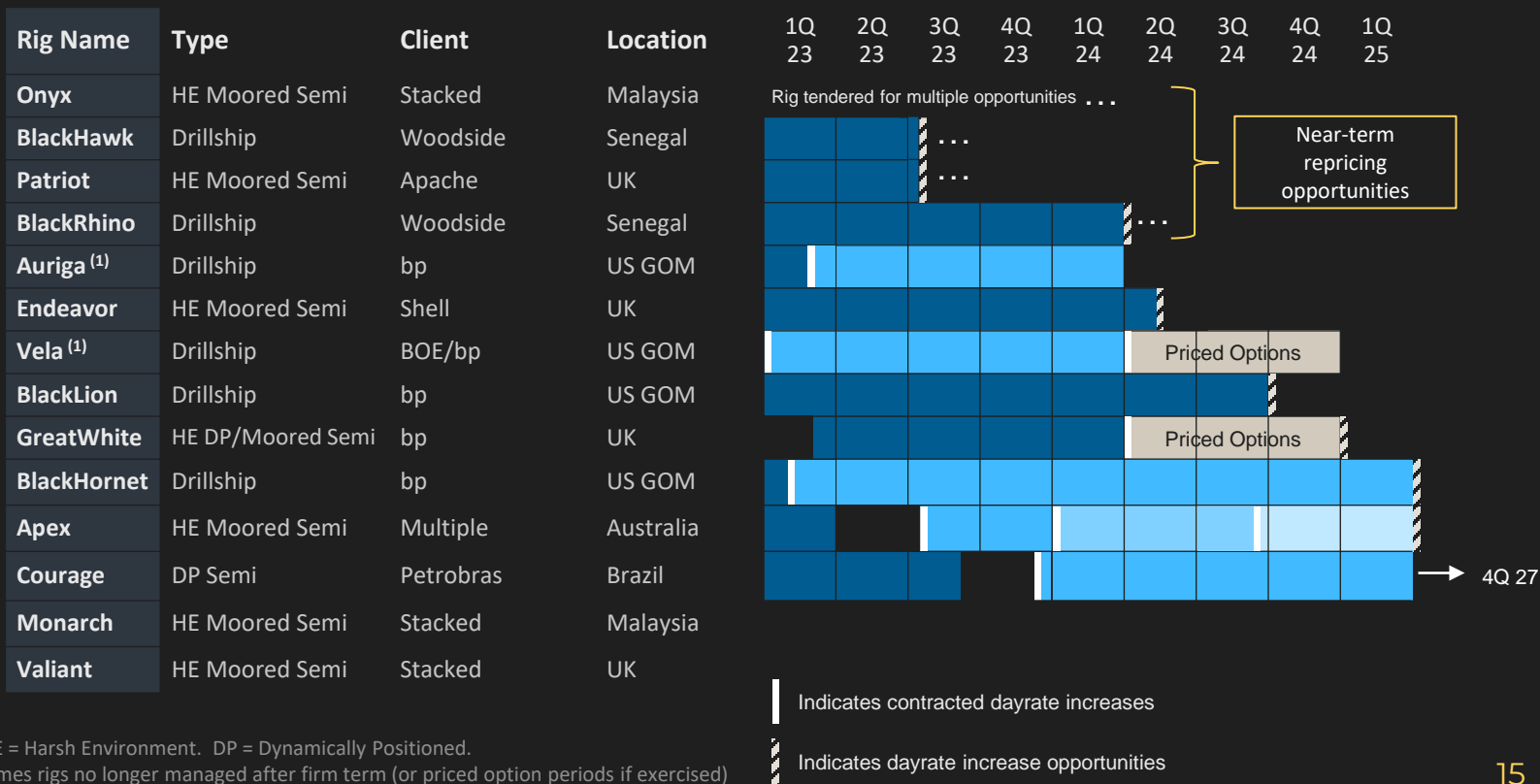


Ocean Endeavor

Anticipated to re-commence
contract March 2023

● Dayrate Progression and Repricing Opportunities

~50% of fleet with backlog contracted at current market rates and significant upside potential for further increase in rates in '23 and '24



● Illustrative Value Drivers

Key asset classes	Highlights	<u>Hypothetical</u> Day Rates (\$000s Per Day)	<u>Illustrative</u> Annual Rig EBITDA potential (\$MM) ²
4x 7th gen. UDW Drillships	<ul style="list-style-type: none"> ➤ Best-in-class UDW Drillships ➤ Attractive availability windows ➤ Fully contracted since delivery 	\$400-\$475	\$336m - \$418m
4x HE Semis ¹	<ul style="list-style-type: none"> ➤ Supply side drastically changed ➤ Typically follows tightening UDW market ➤ Cost and emission friendly 	\$170-\$350	\$121m – \$196m
1x Benign DP Semi	<ul style="list-style-type: none"> ➤ Brazil awarded multiple rigs for 2023+ ➤ Committed into 2027 ➤ Low Opex with fully nationalized crews 	\$275-\$325	\$35m – \$46m
1x HE DP Semi	<ul style="list-style-type: none"> ➤ Unique asset built for ultra harsh opportunities ➤ Contract commences Q1 '23 	\$250-\$400	\$45m – \$88m
			\$537m – \$748m
Approximate G&A and Indirect Costs ⁽³⁾			(\$125m) – (\$135m)
Illustrative EBITDA Potential			\$412m – \$613m

(1) 2 x stacked moored semis and managed units not included in EBITDA calculation

(2) Assumes 95% utilization for drillships and 85% for semis

(3) Includes SG&A, shorebase and indirect costs

Significant Increase in Revenue and EBITDA Expected in 2023

Key Financial Data and Guidance (\$Millions)¹

	2023E	2023E Split	
		Drillships	Semis
Total Revenue ²	\$950 – \$990	69%	31%
Adjusted EBITDA ^{3,4}	\$160 – \$180	68%	32%
CAPEX ⁴	\$95 – \$110		

1) As of 2/28/23

2) Includes revenue associated with managed rig contracts, excludes reimbursable revenue

3) Non-GAAP, excludes asset sales and impairments

4) Excludes potential MPD kit and any stacked rig reactivation

● Balance Sheet – Solid Liquidity

Debt Obligations (31-Dec-2022)	Coupon	Maturity	Drawn Amount	Facility Size
Revolving Credit Facility ¹	LIBOR + 4.250 %	Apr-26	177	400
Term Loan Credit Facility	LIBOR + 6.000 %	Apr-27	100	100
First Lien Notes	9.000 %	Apr-27	85	125
Total			362	625
(-) Cash ²			(63)	
Net Debt			\$ 299	
Liquidity³			\$ 306	
Annual BOP Lease Payments				\$26 million
BOP Lease Buyout				Due 2026 Up To \$85 million

Share Count Build (31-Dec-2022)	Number of RSUs and RS (mm)	Number of Warrants (mm)	Strike Price	Shares (mm)
Common Stock	NA	NA	NA	101.3
Emergence Warrants	NA	7.5	\$ 29.22	NA
Long Term Incentive Equity (Unvested)	3.3	NA	NA	3.3
Potential Diluted Shares Outstanding				104.6

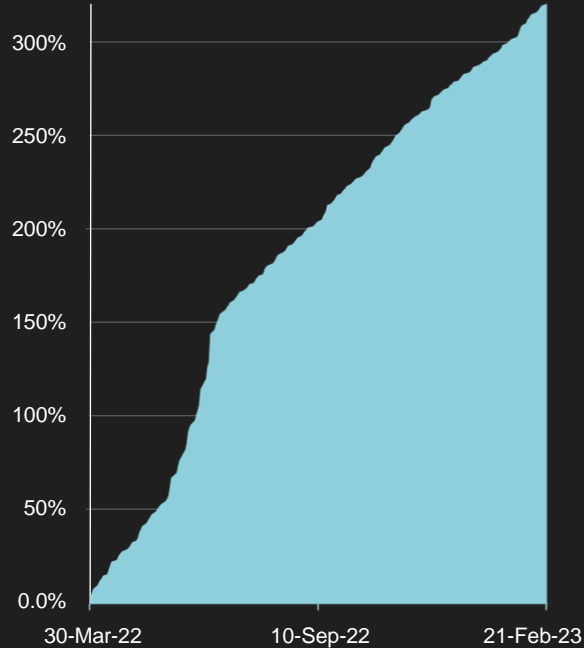
1) Includes drawn and PIK amounts

2) Excludes restricted cash

3) Includes LCs issued under Revolving Credit Facility

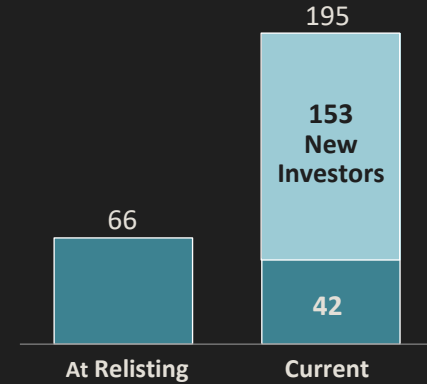
● Good Trading Liquidity Since Relisting

Cumulative Shares Traded as % of Float

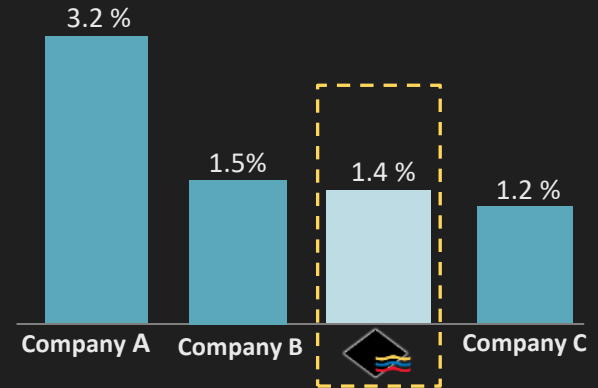


Source – Bloomberg, Capital IQ, Thomson Reuters; market data as of 21-Feb-2023. Note: Diamond commenced trading on 30-Mar-2022; assumes 100.5mm shares of DO float.

Number of Institutional Investors



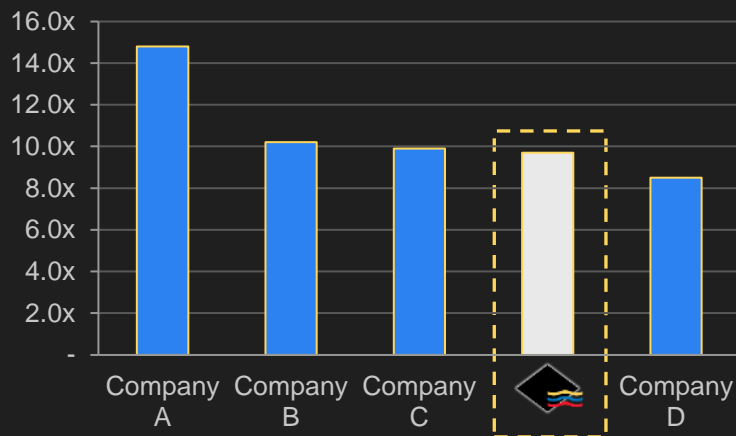
Average Daily Trading Volume as % of Float



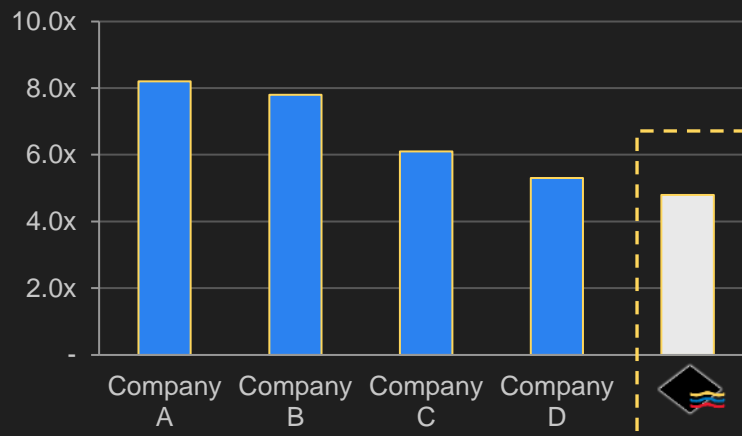
● Diamond Trades at Discount to Peers on '24 Consensus EBITDA

○ On an EV/EBITDA⁽¹⁾ basis, Diamond has significant upside potential

Enterprise Value /
2023E EBITDA



Enterprise Value /
2024E EBITDA



(1) Goldman, Bloomberg, Capital IQ, IBES Consensus Estimates – market data as of 06 Feb 2023. EV/EBITDA = Enterprise Value / EBITDA.

3

Innovation and ESG

Responsibly Unlocking Energy

VESSEL MODE

TIME COMPOS



DRILLING



NON-DRILLING



TRANSIT



GENERAL STATISTICS

100% 0% 0%



100% 0% 0%

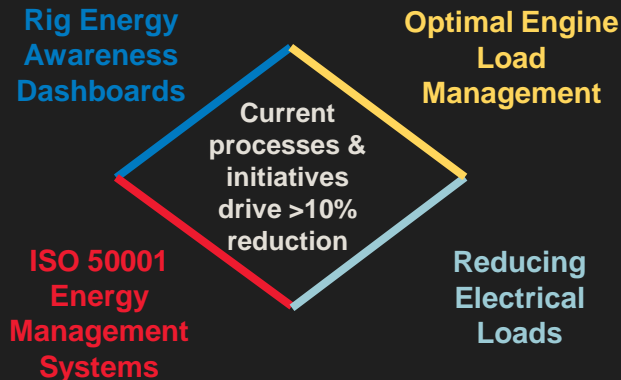


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● Our Commitment to ESG

GHG Emission Reduction Actions

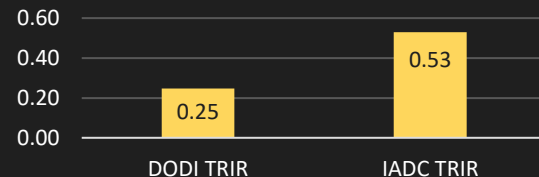


Governance Alignment

- Independent Board of Directors
- CEO and executive leadership team compensation tied to ESG performance
- Continuous focus on enterprise risk and barrier management

Our Safety Commitment

2022 DO vs Comparable IADC TRIR



Our safety culture efforts helped us achieve a 2022 Total Recordable Incident Rate (TRIR) **50% lower** than the IADC average.

Key ESG Initiatives



Energy Management System based on ISO 50001 being implemented on select rigs to help reduce carbon footprint.



Implementing real-time data and SaaS-enabled continuous improvement platform on 3 rigs

ESG Focus – Achieving ISO 50001 Compliance

“ We are committing resources to achieve **ISO 50001** compliance on three rigs, the **Ocean GreatWhite, Ocean BlackHornet** and **Ocean BlackLion** in 2023.

ISO 50001 is an international standard of implementing Energy Management Systems in order to improve energy performance and achieve greater effectiveness, all while adopting environmentally friendly practices. ”

Bernie Wolford
President & CEO



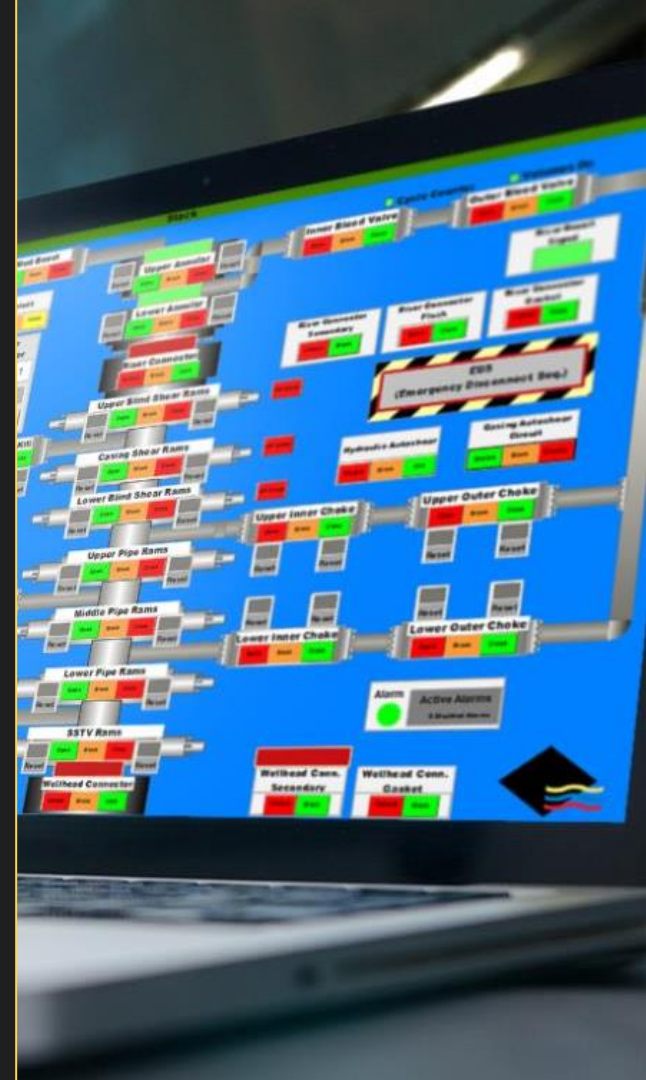
- Investment in Innovation and Differentiation

Sim-Stack®

“Virtual Twin” and predictive analytics provide real-time assessment of BOP performance and failure prediction. Our **Sim-Stack® Service** replicates BOP conditions to accelerate decision-making with advanced visualization.



Sim-Stack® has helped us avert 20 BOP stack pulls in the past two years alone, drastically reducing exposure to human-machine interface injuries.



4

Fleet Specifications



● Diamond Fleet Overview - Drillships

BlackLion



BlackHornet



BlackHawk



BlackRhino




Specifications	
Metric	Value
Design	GustoMSC P10000
Water Depth (ft)	12,000
Drilling Depth (ft)	40,000
Build / Refurbish Year	2015
Dual BOP	✓
Dual Derrick	✓
2.5mm Hookload	✓
MPD	✓

Specifications	
Metric	Value
Design	GustoMSC P10000
Water Depth (ft)	12,000
Drilling Depth (ft)	40,000
Build / Refurbish Year	2014
Dual BOP	✓
Dual Derrick	✓
2.5mm Hookload	✓
MPD	✓


Specifications	
Metric	Value
Design	GustoMSC P10000
Water Depth (ft)	12,000
Drilling Depth (ft)	40,000
Build / Refurbish Year	2014
Dual BOP	✓
Dual Derrick	✓
2.5mm Hookload	✓
MPD	

Specifications	
Metric	Value
Design	GustoMSC P10000
Water Depth (ft)	12,000
Drilling Depth (ft)	40,000
Build / Refurbish Year	2014
Dual BOP	✓
Dual Derrick	✓
2.5mm Hookload	✓
MPD	


Contract Status			
Location	Start Date	End Date	Operator

US GOM Sep-20 3Q 2024 


Contract Status			
Location	Start Date	End Date	Operator

US GOM Feb-20 1Q 2025 

Contract Status			
Location	Start Date	End Date	Operator

Senegal Jul-22 3Q 2023 

Contract Status			
Location	Start Date	End Date	Operator

Senegal July-21 1Q 2024 

● Diamond Fleet Overview – DP Semisubmersible

GreatWhite



Specifications

Metric	Value
Design	Moss Maritime CS-60 (DP & Moored)
Water Depth (ft)	10,000
Drilling Depth (ft)	35,000
Build / Refurbish Year	2016
2.5mm Hookload	✓

Contract Status

Location	Start Date	End Date	Operator
UK	Mar-23	1Q 2024	DP

Courage



Specifications

Metric	Value
Design	Friede & Goldman ExD
Water Depth (ft)	10,000
Drilling Depth (ft)	40,000
Build / Refurbish Year	2009
MPD	✓

Contract Status

Location	Start Date	End Date	Operator
Brazil	Jun-21	3Q 2023	BR PETROBRAS
Brazil	4Q 2023	4Q 2027	BR PETROBRAS

● Diamond Fleet Overview – Moored Semisubmersible

Endeavor



Patriot




Valiant



Specifications	
Metric	Value
Design	ODECO Ocean Victory Enhanced
Water Depth (ft)	10,000
Drilling Depth (ft)	35,000
Build / Refurbish Year	2007

Specifications	
Metric	Value
Design	Trosvik Bingo 3000
Water Depth (ft)	3,000
Drilling Depth (ft)	20,000
Build / Refurbish Year	1983

Specifications	
Metric	Value
Design	ODECO Ocean Odyssey
Water Depth (ft)	6,000
Drilling Depth (ft)	30,000
Build / Refurbish Year	1988

Contract Status			
Location	Start Date	End Date	Operator
UK	May-19	2Q 2024	

Contract Status			
Location	Start Date	End Date	Operator
UK	Jun-21	3Q 2023	

Contract Status			
Location	Start Date	End Date	Operator
UK	NA	NA	Stacked

● Diamond Fleet Overview – Moored Semisubmersible

Apex



Onyx





Monarch



Specifications

Metric	Value
Design	ODECO Ocean Victory Enhanced (Moored)
Water Depth (ft)	6,000
Drilling Depth (ft)	30,000
Build / Refurbish Year	2014

Contract Status

Location	Start Date	End Date	Operator
Australia	Jun-22	3Q 2023 ¹	  INPEX Santos
Australia	3Q 2023	4Q 2023	
Australia	4Q 2023	3Q 2024	
Australia	3Q 2024	1Q 2025	

Specifications

Metric	Value
Design	ODECO Ocean Victory (Moored)
Water Depth (ft)	6,000
Drilling Depth (ft)	30,000
Build / Refurbish Year	2014

Contract Status

Location	Start Date	End Date	Operator
Stacked	NA	NA	

Specifications

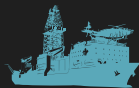
Metric	Value
Design	ODECO Ocean Victory Enhanced (Moored)
Water Depth (ft)	10,000
Drilling Depth (ft)	35,000
Build / Refurbish Year	2008

Contract Status

Location	Start Date	End Date	Operator
Stacked	NA	NA	

1) Includes est. 109-day shipyard period starting late Mar. 2023

● Diamond Offshore Value Proposition



Profitable Growth

- Recent contract wins at improving dayrates drive EBITDA and cashflow growth
- Favorable repricing opportunities with contract renewals in 2023 and 2024



Investment Focus

- Diamond trades at discount to peers on forward EBITDA multiples
- Stock widely held with good liquidity



Optionality

- Diamond's financial position provides flexibility as a standalone platform
- Scale and backlog provide foundation for consolidation

The Diamond Difference™



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