



DIAMOND
OFFSHORE



UBS HOUSTON ENERGY BUS-LESS TOUR

September 15 2017

Disclaimer

The statements in this presentation that are not historical statements, 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 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, litigation, operating risks, regulatory initiatives and compliance with governmental regulations, construction of new builds, 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. 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-GAAP financial measures in this presentation. A reconciliation of non-GAAP financial measures to our GAAP financial statements are located in the appendix to 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.

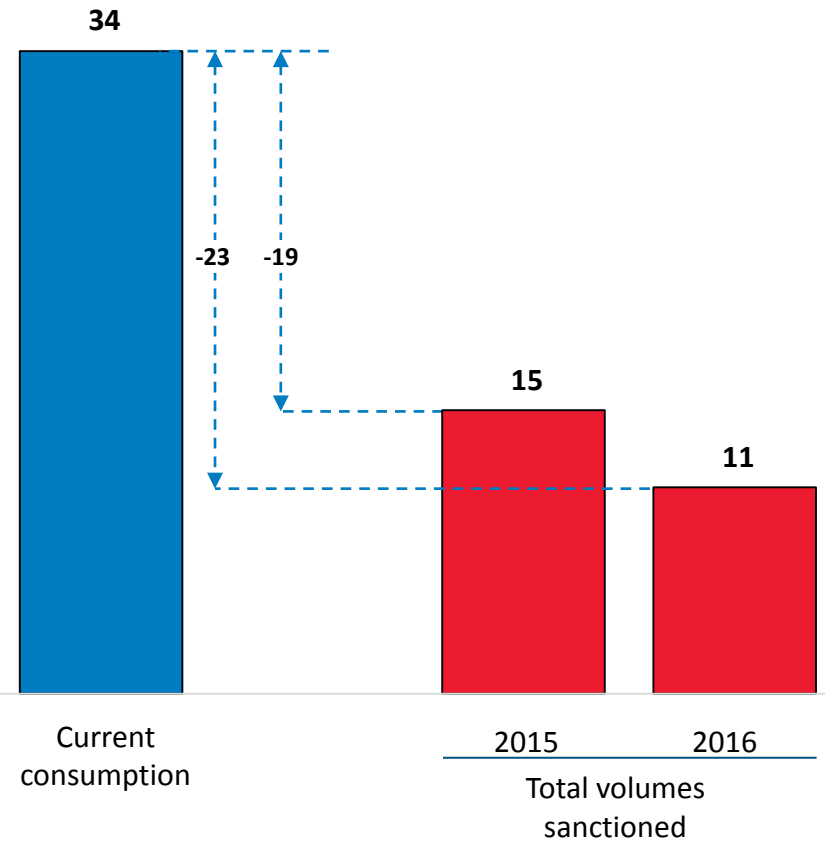
Worldwide E&P Activities:

Current Activity Levels Insufficient to Replace Consumption of Oil

Sanctioned and discovered volumes well below current demand

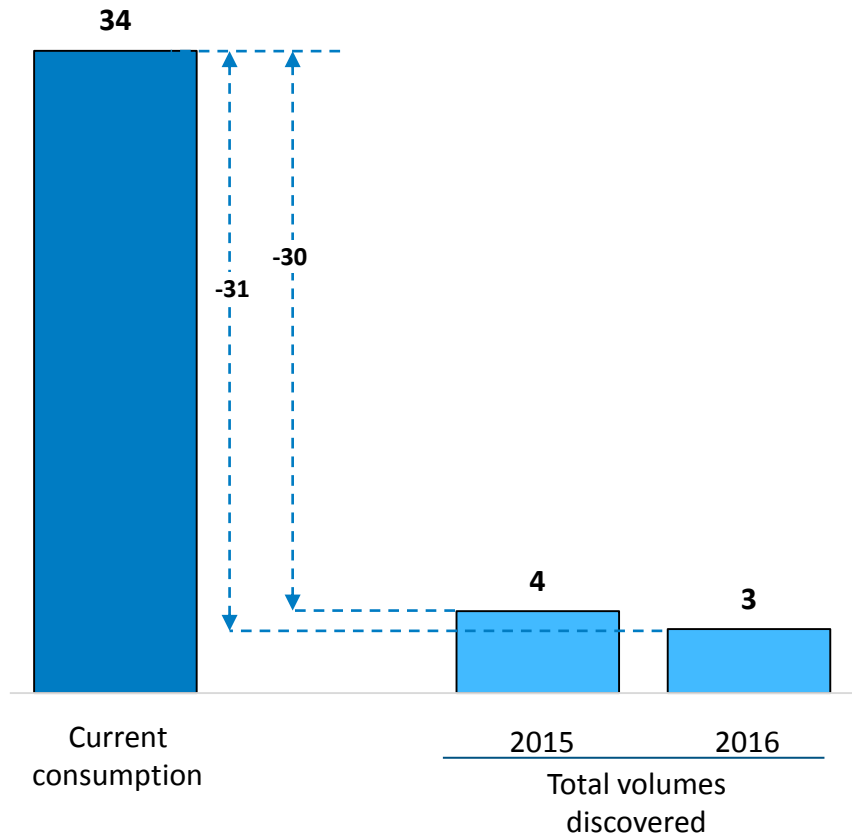
Sanctioning activity at unsustainable levels

Billion barrels



Discovery rates at unsustainable levels

Billion barrels

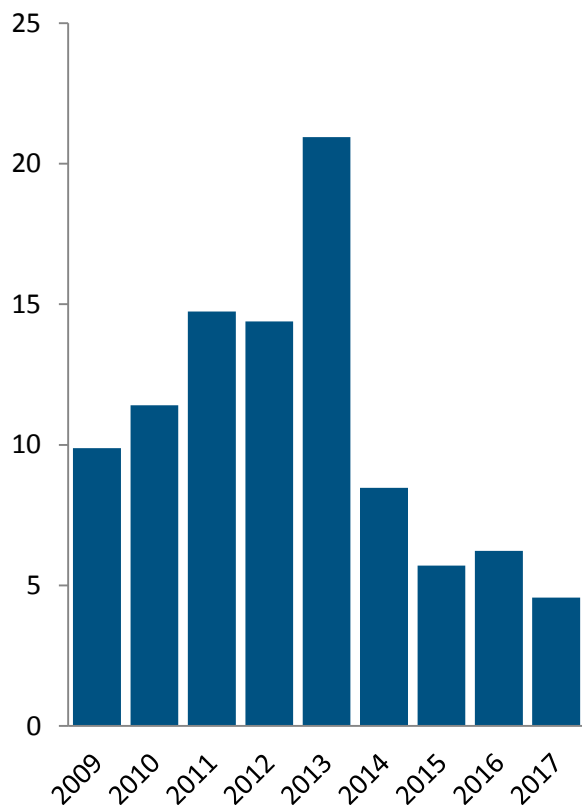


Understanding the Long Cycle:

Missing FIDs Cause Supply Shortfall After 2020

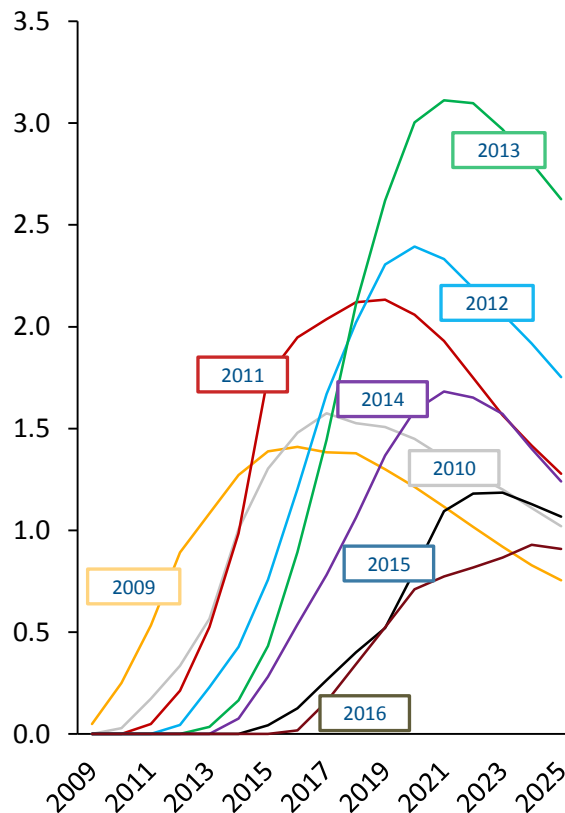
Significant Contraction in Sanction Level

Billion bbl FID* per year



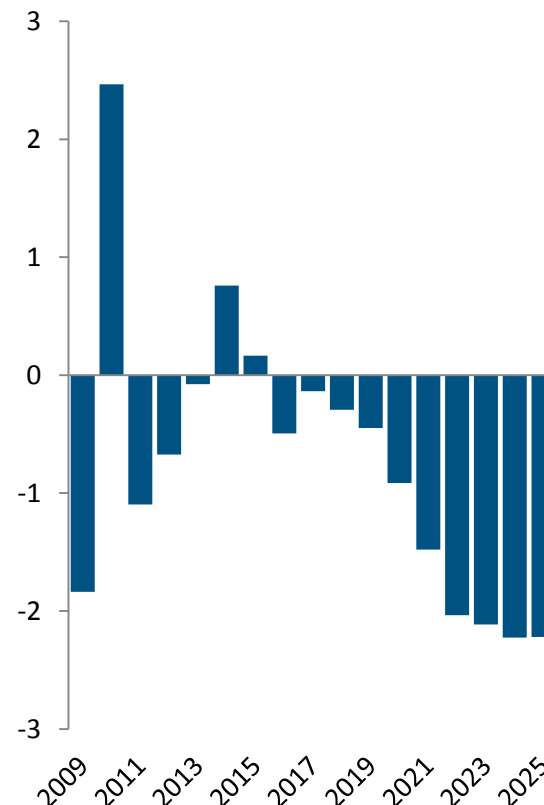
Yields Much Less Production by Approval Year Vintage

MMbbl/d liquids production* by FID year



Will Ultimately Make Non-OPEC, Non-Shale Roll Hard

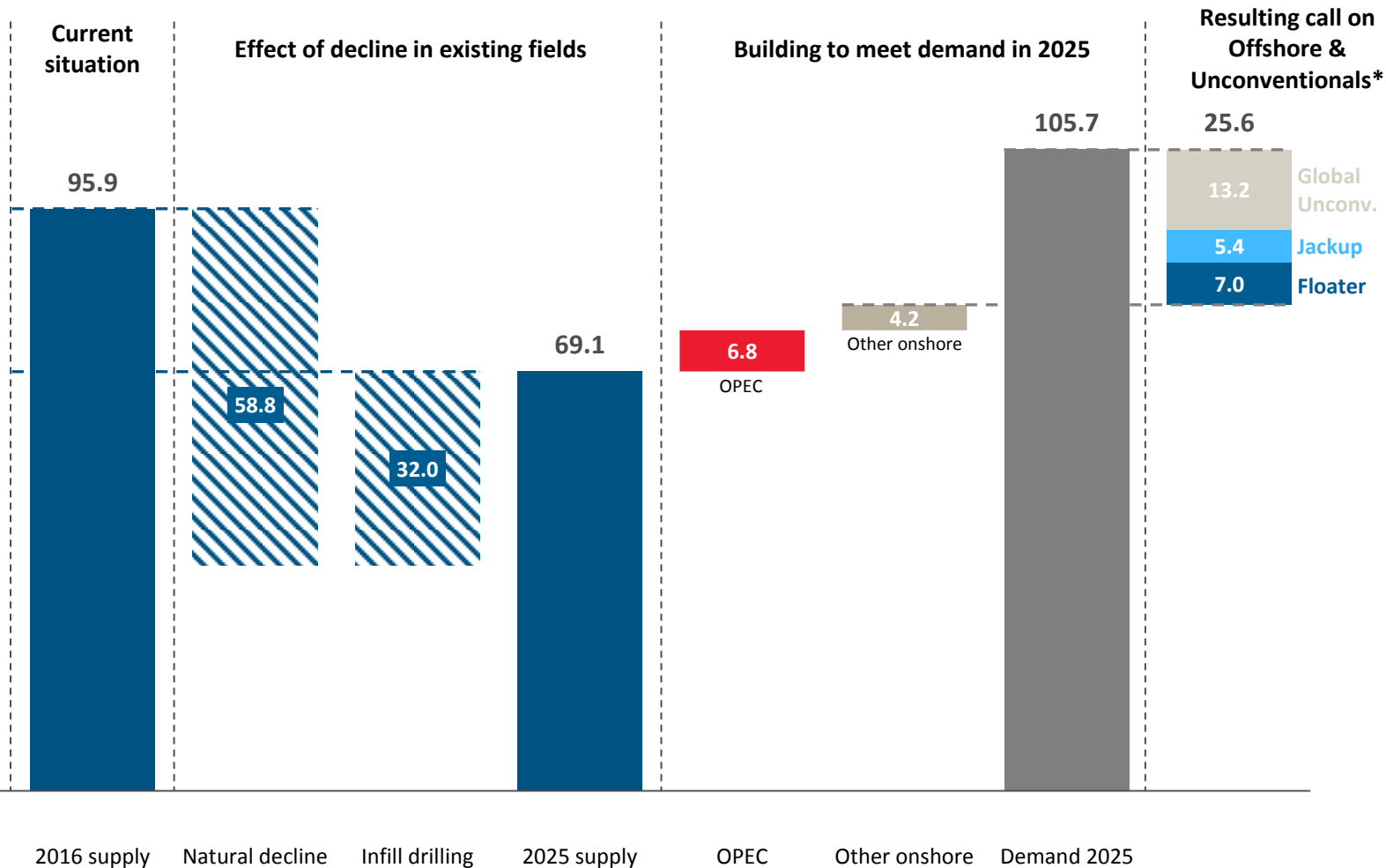
MMbbl/d YoY change in production*



*Only liquids, excludes shale and OPEC
Source: Rystad Energy UCube

Offshore E&P Needs to Exist

Million barrels per day

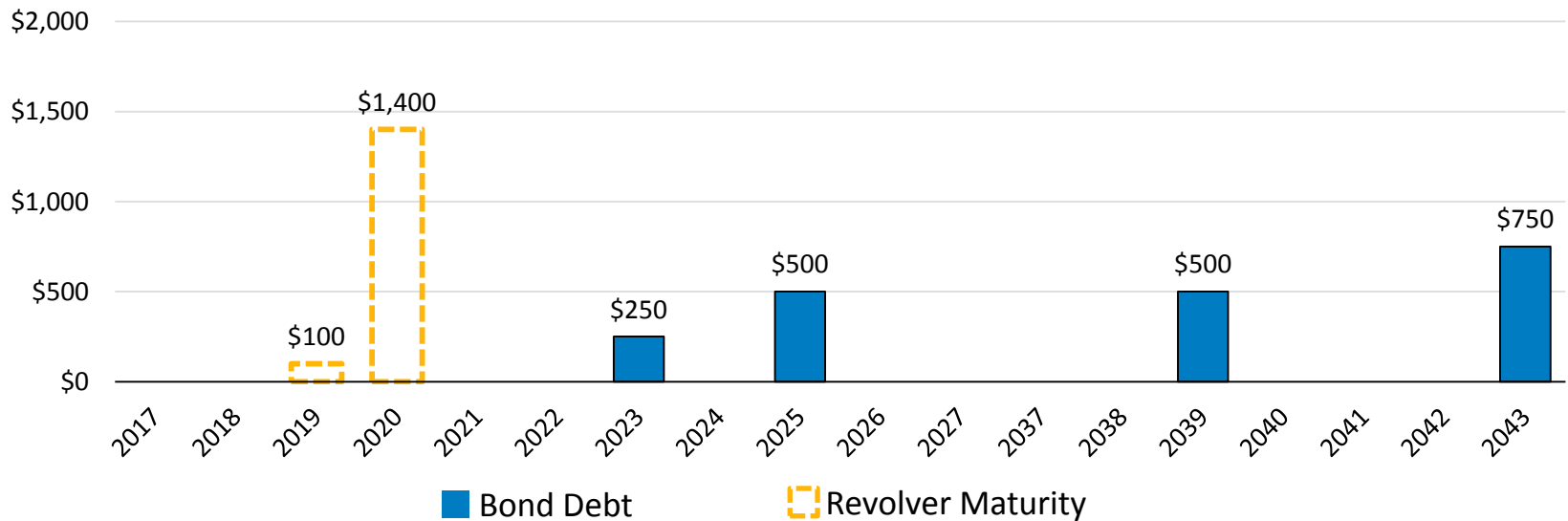


*Offshore and unconventional excludes OPEC
Source: Rystad Energy research and analysis

Balance Sheet and Financial Liquidity

- Industry-leading balance sheet strength with robust liquidity:
 - \$1.5 billion undrawn credit facility
 - Free cash flow positive with \$2.9B backlog position
 - Conservative, disciplined financial management
- Attractive debt maturity profile
 - Next maturity not until 2023
 - Refinanced 2019 debt maturity of \$500M in August 2017, extending maturity out to 2025
 - Over 50% of all bond maturities in 2039+

Debt Maturity Schedule



Quarter Update

3Q 2017 Update

- Hurricane Harvey had minimal impact on Diamond's operations
- Revenue in line with guidance - sequential decline of ~10%
- Contract drilling costs are in line with our YTD run rate

3Q 2017 Impact of New 2025 Sr. Note Offering

Income Statement Impact	Amount (millions)
Make-whole premium, etc.	\$36
Additional interest expense (annual impact of ~\$11m)	\$1
Total	\$37



DIAMOND
OFFSHORE



UBS HOUSTON ENERGY BUS-LESS TOUR

September 15 2017