



# PARETO SECURITIES' 31ST ANNUAL ENERGY CONFERENCE

Keelan Adamson, President and Chief Operating Officer

September 11, 2024



# LEGAL DISCLAIMER

- Forward-Looking Statements
- The statements described herein that are not historical facts are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These statements could contain words such as "possible," "intend," "will," "if," "expect," or other similar expressions.
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# INVESTMENT THESIS

## ATTRACTIVE EXPOSURE TO GLOBAL OFFSHORE DRILLING INDUSTRY



### Hydrocarbon Demand

- Access to affordable, reliable, and secure energy sources is essential to global economic growth and prosperity
- Volumetric demand for hydrocarbons will increase with global population growth and attendant economic development, even in the context of a slow decline in the total energy market share of oil and natural gas



### Favorable Market Dynamics

- Increasing focus by our customers on their offshore assets
- Constructive rig supply and demand supports continued dayrate accretion, with leading edge ultra-deepwater dayrates exceeding \$500k/d



### Portfolio of Premier Assets

- Transocean owns and operates a young fleet of the highest specification floating drilling rigs in the industry – typically demanding the highest dayrates in an upcycle and highest utilization throughout the entire cycle
- High-quality stacked rigs imply considerable revenue and earnings growth potential



### Value Creation

- As evidenced by our industry-leading backlog, considerable cash flow generating potential as dayrates and contract terms continue to improve
- All else being equal, share price appreciation will result from continued drilling market improvement and as the Company executes its plan to improve its balance sheet and maximize free cash flow to equity

# OUR LEADERSHIP POSITION

Pure Play Floater Fleet Positioned to Capitalize Through Upcycle

FLOATERS

**34**

100% UDW & HE

BACKLOG

**\$8.6 B**

As of July 24, 2024. Excludes \$531M *Deepwater Invictus* contract<sup>1</sup>

TOTAL LIQUIDITY

**\$1.5 B**

As of June 30, 2024

DRILLSHIP GROWTH  
POTENTIAL

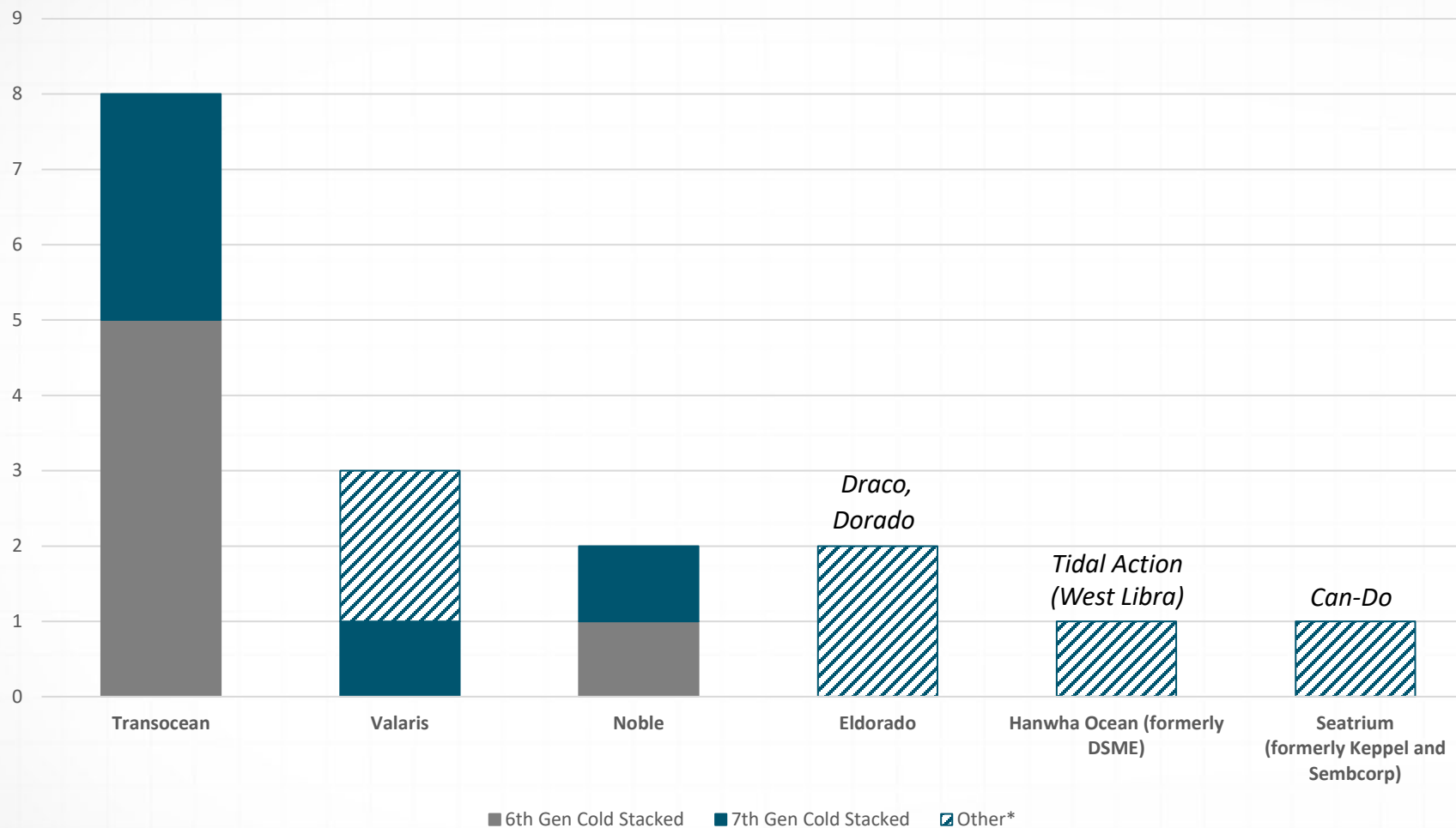
**8**

Transocean owns ~50% of the stacked<sup>2</sup> drillsip capacity



1. Awarded after July 24, 2024 Fleet Status Report
2. Based on 6/7G drillsip fleet; Includes stranded newbuilds

# LIMITED INCREMENTAL 6<sup>TH</sup> & 7<sup>TH</sup> GEN DRILLSHIP SUPPLY



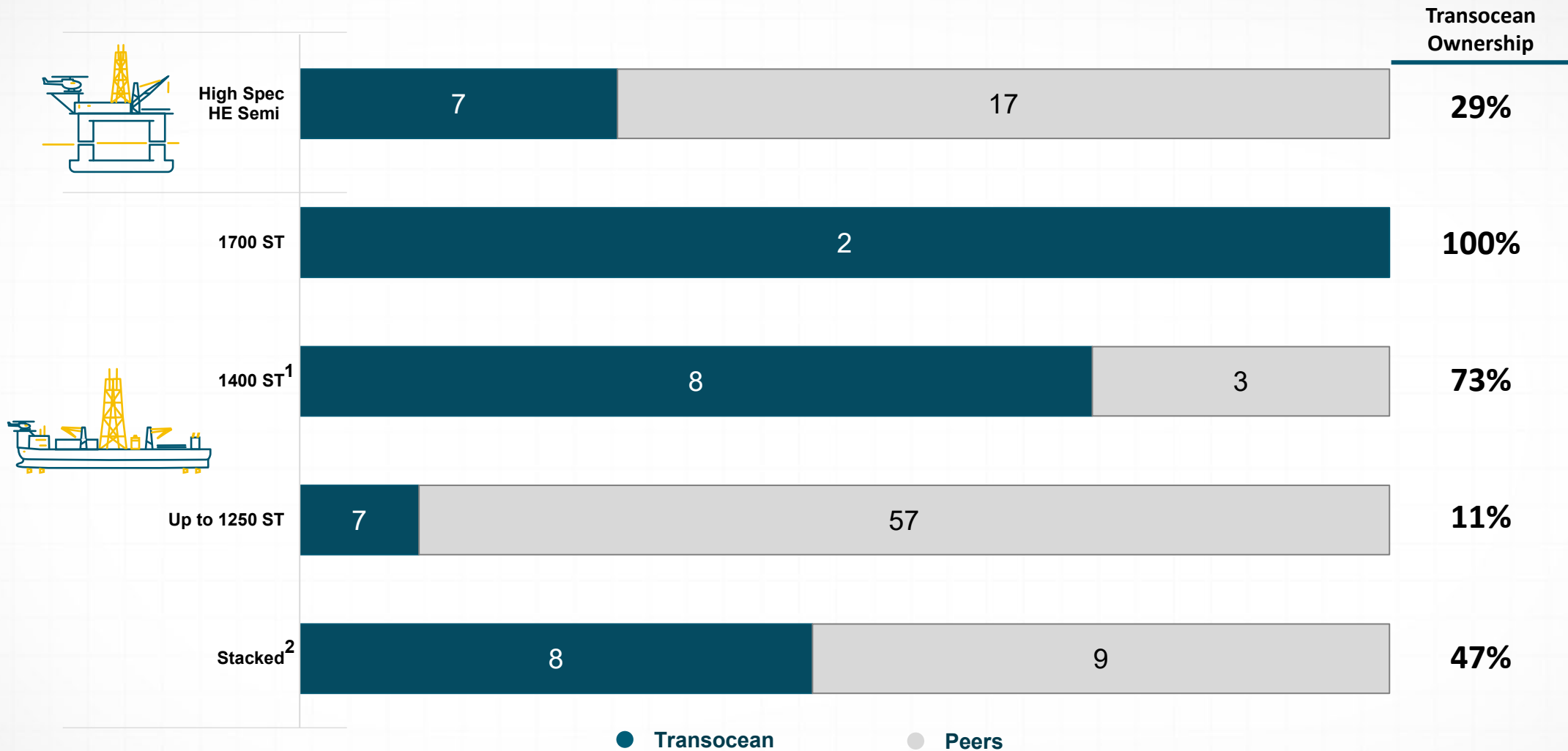
Transocean provides superior value proposition for incremental supply to meet rising demand:

- Eight cold-stacked UDW ships available
- Estimated cost to bring cold-stacked units to market: \$75-150M
- Estimated cost to purchase and deliver stranded shipyard assets: \$300-500M
- Newbuilds expected to cost \$1.0B+ with minimum 5-year lead time

\* Includes under construction and recently delivered newbuilds

Source: Spinergie, Transocean

# TRANSOCEAN OWNS THE HIGHEST SPECIFICATION FLEET

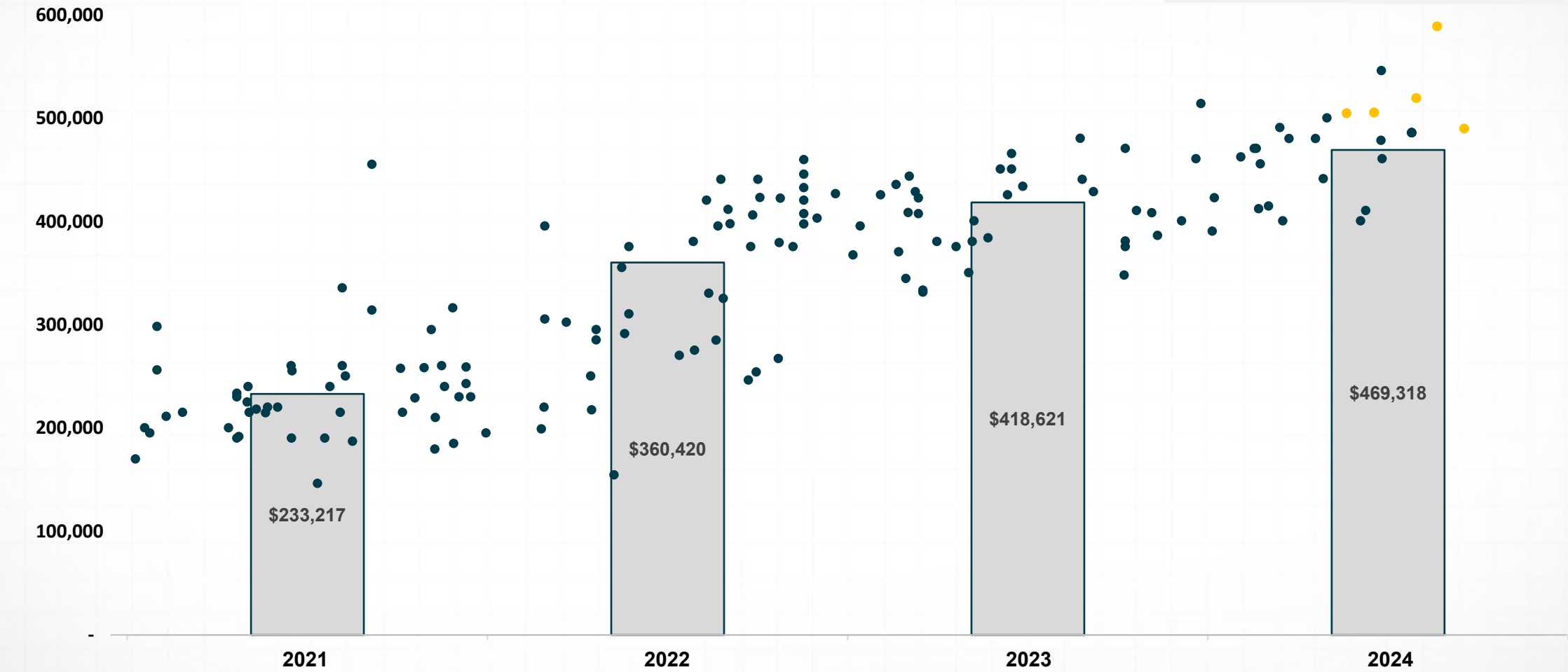


1. Includes dual activity, globally marketed assets  
 2. Includes "stranded" and recently delivered uncontracted newbuilds

# FAVORABLE DAYRATE PROGRESSION

## Global Drillship Dayrate Fixtures & Average Annual Dayrates

Dayrate (\$/d)



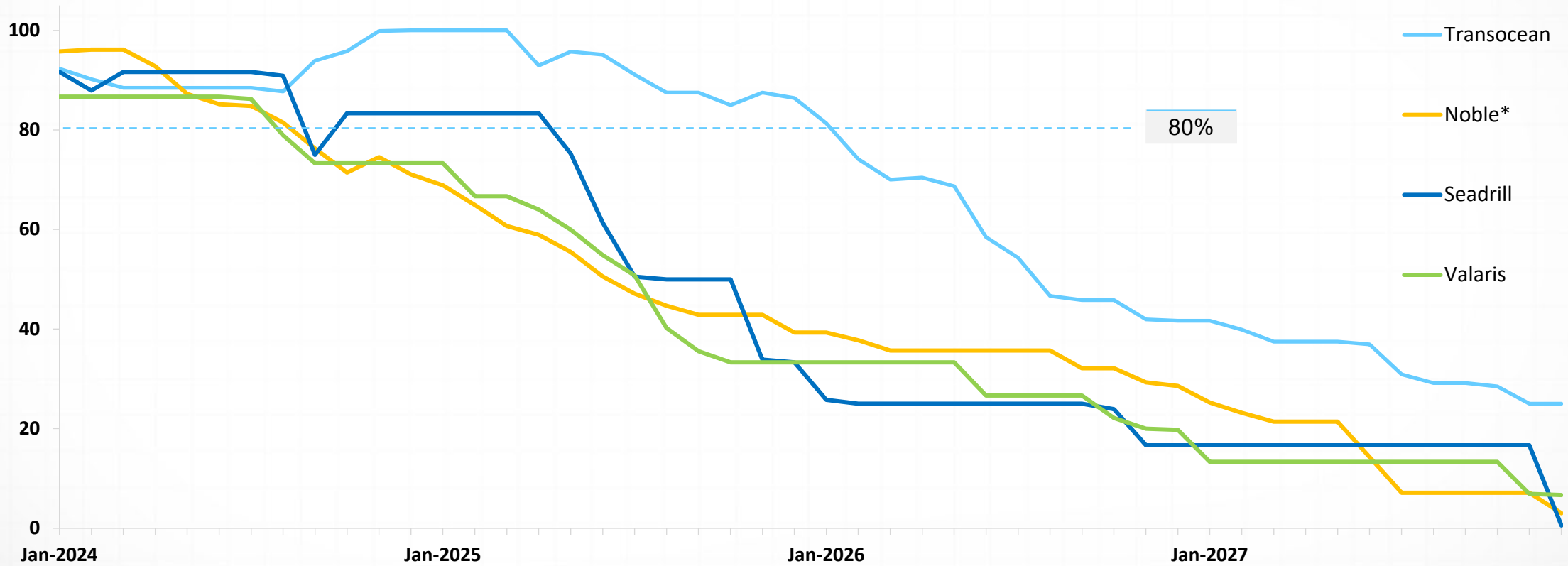
*Deepwater Atlas:* \$505K/d & \$580K/d  
*Deepwater Asgard:* \$505K/d & \$515K/d  
*Deepwater Invictus:* \$485K/d

# STRONG CONTRACTED VISIBILITY

## TRANSOCEAN CONTINUES TO OUTPERFORM PEERS

### Future committed floater utilization

Percent (%)



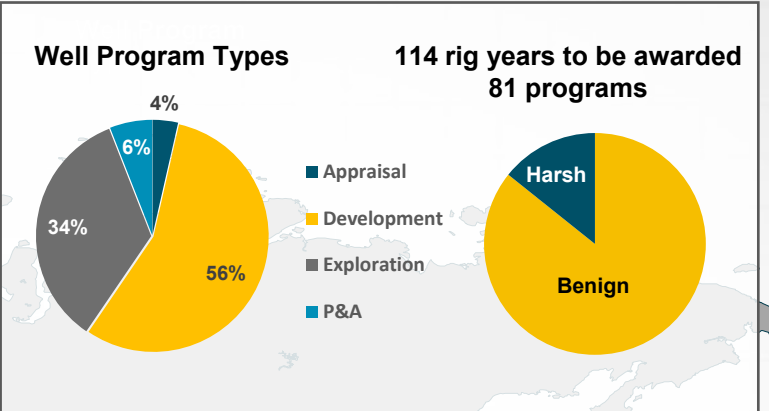
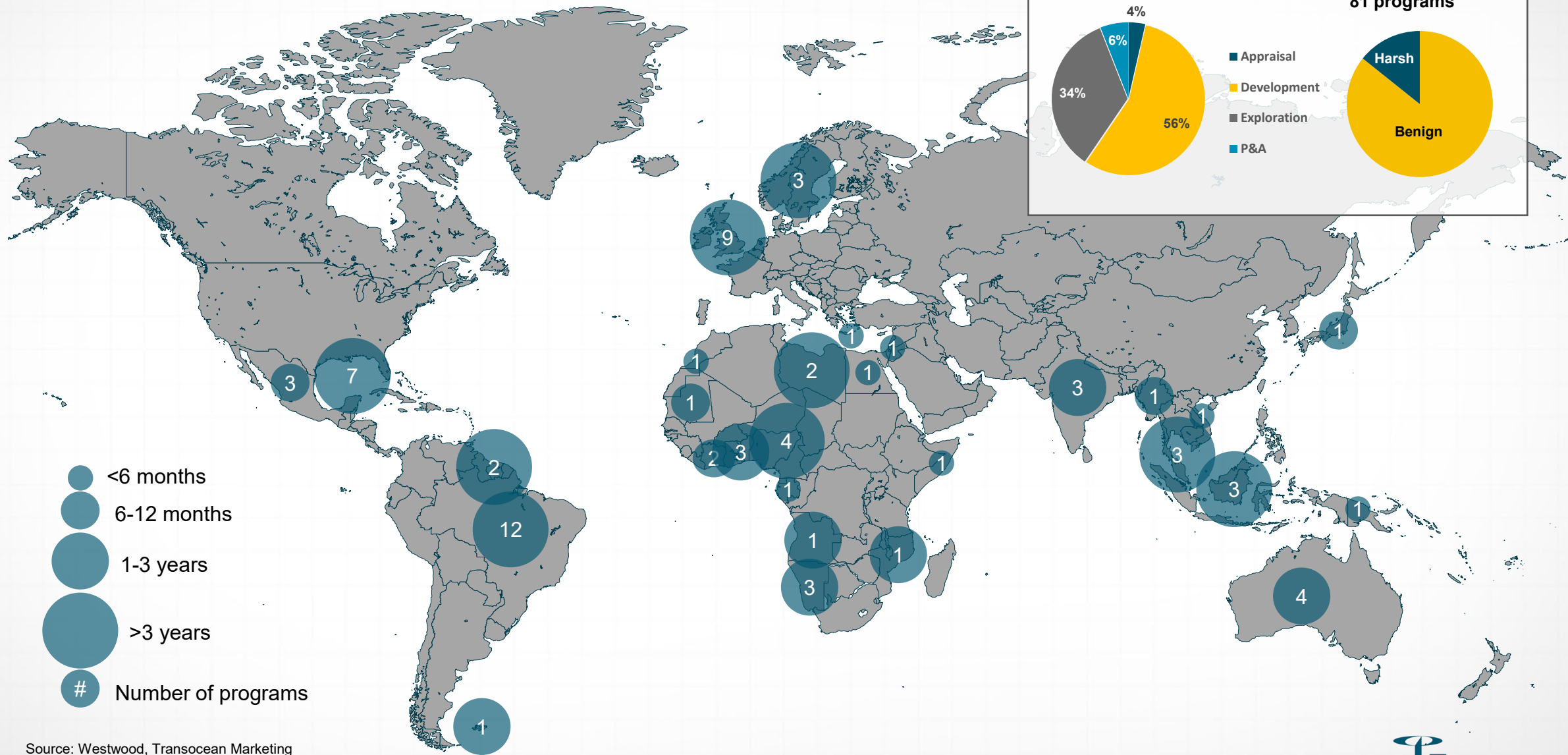
\* Combined utilization for Noble and Diamond

Source: Rystad Energy: OffshoreRigCube – As of September 3, 2024



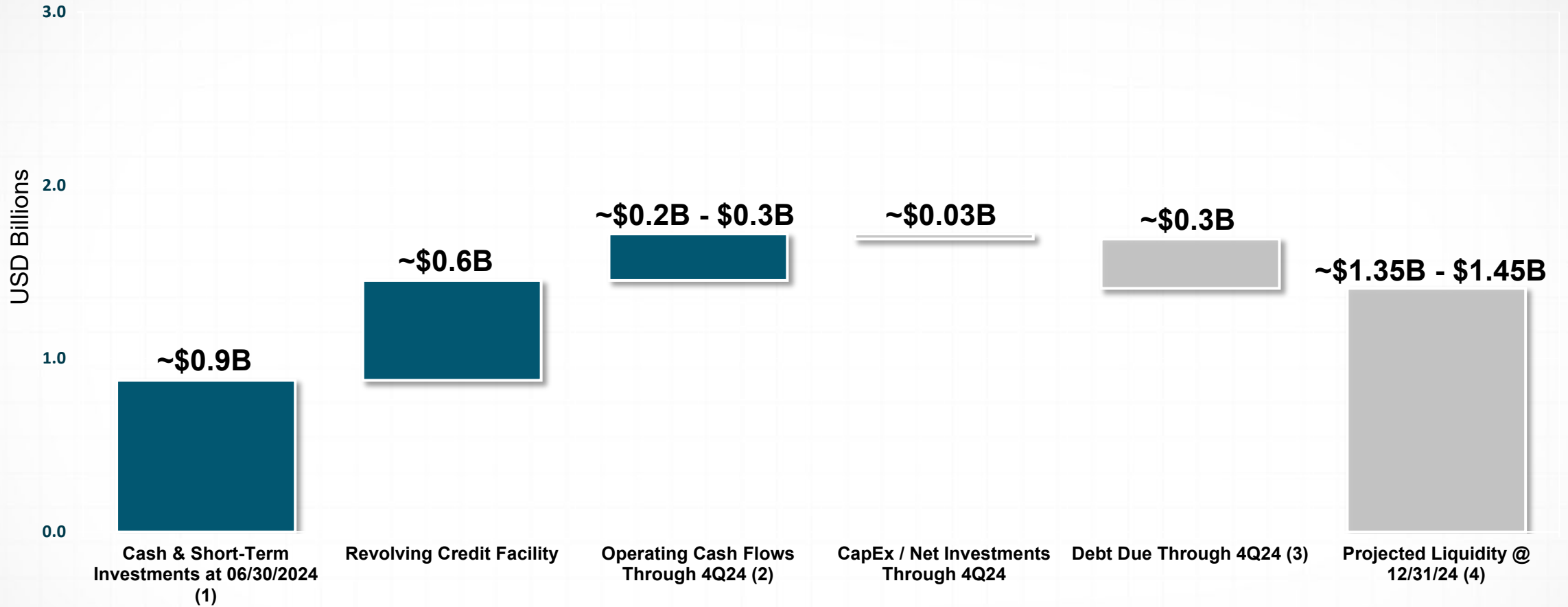
# FLOATER OPPORTUNITIES

## START DATE NEXT 24 MONTHS



Source: Westwood, Transocean Marketing

# PROJECTED LIQUIDITY



1. Includes restricted cash.
2. Excludes speculative reactivations
3. Debt maturities are retired with cash; no refinancing's are assumed.
4. Projected liquidity calculated as of June 30, 2024.

# STRENGTHENING THE BALANCE SHEET IS A PRIORITY

## EFFICIENT RESTORATION OF VALUE TO EQUITY HOLDERS

- **We believe that the cash flow-generating capability of our fleet can support leverage of approximately 3x mid-cycle EBITDA, at which point distributions to equity will be considered**
  - Implies an initial target of \$4 – 4.5B of net debt, corresponding to a BB-area corporate credit rating
- **We will continue to de-lever and simplify our balance sheet including pursuing opportunistic liability management actions**
  - Scheduled amortization and debt maturities of ~\$1.6B between 2024 – 2026
  - Leading UDW dayrates are at levels that support “organic” deleveraging

Continued strengthening of the offshore drilling market improves our ability to deleverage without the use of incremental equity



# INVESTMENT SUMMARY

**We are in a multi-year recovery of the offshore drilling industry. As the industry leader, Transocean provides the ideal investment vehicle**

- Industry's largest and highest specification fleet of floating drilling rigs offers the most organic growth potential and consistently commands the highest dayrates and term through the cycles as scarcity increases
- In the vanguard of deploying innovative technologies that enhance safety, reliability and efficiency in the offshore energy industry
- \$8.6B backlog provides visibility into future cash flows to create value for our shareholders through deleveraging and investment in the fleet
- Has well-articulated plan to improve the flexibility and quality of the balance sheet to maximize shareholder value (Ultimately in pursuit of distributing free cash flow to shareholders)





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