
Seadrill
Third Quarter 2026
Earnings Presentation
November 2026

Disclaimer

FORWARD-LOOKING STATEMENTS: This presentation includes 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. All statements other than statements of historical facts included in this presentation, including, without limitation, those regarding Seadrill Limited's (the "Company") outlook and guidance, plans, strategies, business prospects, financial performance, operations, and rig activity, including with respect to total contract value, backlog and contract commencement dates and durations, and changes and trends in its business and the markets in which it operates, are forward-looking statements. These forward-looking statements can often, but not necessarily, be identified by the use of forward-looking terminology, including the terms "assumes", "projects", "forecasts", "estimates", "expects", "anticipates", "believes", "plans", "intends", "may", "might", "will", "would", "can", "could", "should" or, in each case, their negative, or other variations or comparable terminology. These statements are based on management's current plans, expectations, assumptions and beliefs concerning future events impacting the Company and therefore involve a number of risks, uncertainties and assumptions that could cause actual results to differ materially from those expressed or implied in the forward-looking statements.

Important factors that could cause actual results to differ materially from those in the forward-looking statements include, but are not limited to: those described under Part I, Item 1A, "Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2025, filed with the U.S. Securities and Exchange Commission (the "SEC") on February 26, 2026, offshore drilling market conditions, including supply and demand, dayrates, customer drilling programs and effects of new or reactivated rigs on the market, contract awards and rig mobilizations, total contract value, contract backlog, dry-docking and other costs of maintenance, special periodic surveys and upgrades and regulatory work for the drilling units in the Company's fleet, the performance of the drilling units in the Company's fleet, delay in payment or disputes with customers, the Company's ability to successfully employ its drilling units, procure or have access to financing, ability to comply with loan covenants, fluctuations in the international price of oil, international financial market conditions, United States ("U.S.") trade policy and tariffs and worldwide reactions thereto, inflation, changes in governmental regulations that affect the Company or the operations of the Company's fleet, increased competition in the offshore drilling industry, the review of competition authorities, the impact of global economic conditions and global health threats, pandemics and epidemics, political and other uncertainties, including those related to the conflicts in Ukraine and the Middle East, and any related sanctions, fluctuations in interest rates or exchange rates and currency devaluations relating to foreign or U.S. monetary policy, tax matters, changes in tax laws, treaties and regulations, legal and regulatory matters in the jurisdictions in which we operate, customs and environmental matters, the potential impacts on our business resulting from decarbonization and emissions legislation and regulations, the impact on our business from climate-change generally, the occurrence of cybersecurity incidents, attacks or other breaches to our information technology systems, including our rig operating systems, and other important factors described from time to time in the reports filed or furnished by us with the SEC.

The foregoing risks and uncertainties are beyond our ability to control, and in many cases, we cannot predict the risks and uncertainties that could cause our actual results to differ materially from those indicated by the forward-looking statements. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those indicated. All subsequent written and oral forward-looking statements attributable to us or to persons acting on our behalf are expressly qualified in their entirety by reference to these risks and uncertainties. You should not place undue reliance on forward-looking statements. Each forward-looking statement speaks only as of the date of the particular statement. We expressly disclaim any obligations or undertaking to release publicly any updates or revisions to any forward-looking statement to reflect any change in our expectations or beliefs with regard to the statement or any change in events, conditions or circumstances on which any forward-looking statement is based, except as required by law.

Investors should note that we announce material financial information in SEC filings, press releases and public conference calls. Based on guidance from the SEC, we may use the Investors section of our website (www.seadrill.com) to communicate with investors. It is possible that the financial and other information posted there could be deemed to be material information. The information on our website is not part of, and is not incorporated into, this presentation.

NON-GAAP MEASURES: This presentation refers to Adjusted EBITDA, Free Cash Flow and Net Leverage. These non-GAAP measures are not an alternative to GAAP measures and should not be considered in isolation or as an alternative for analysis of the Company's results as reported under GAAP. For definitions and reconciliations to the most comparable GAAP measure, refer to Appendices.

Due to the forward-looking nature of Adjusted EBITDA as presented as part of Seadrill's full-year 2026 guidance, the Company cannot reliably predict certain of the necessary components of the most directly comparable forward-looking GAAP measure, net (loss)/income. Accordingly, the Company is unable to present a quantitative reconciliation of such forward-looking non-GAAP financial measure to the most directly comparable forward-looking GAAP financial measure without unreasonable effort. The unavailable information could have a significant effect on the Company's full year 2026 GAAP financial results.

Third Quarter 2026: Highlights

- Increased full-year 2026 Total Operating Revenue and Adjusted EBITDA guidance
- Secured contract awards and extensions in Indonesia, Malaysia, Angola, and the U.S. Gulf, adding ~$800 million of Total Contract Value[1]
- Generated $179 million of Free Cash Flow[2]
- Opportunistically repurchased $22 million of shares
- Over 85% of available drillship days now contracted in 2027



(1) Total Contract Value is calculated as the contractual operating dayrate multiplied by the number of days in the firm contract period, plus contractual revenues for mobilization and demobilization, as well as management contract revenues, excluding revenues from additional services; (2) Non-GAAP measure. For a definition and a reconciliation to the most comparable GAAP measure, see Appendices.

Third Quarter 2026: Financial Results

Total Operating Revenues
$428m

2Q26: $449m | 1Q26: $358m | 4Q25: $362m

Adjusted EBITDA[1]
$121m

2Q26: $144m | 1Q26: $97m | 4Q25: $88m

CapEx and LTM[2]
$56m

2Q26: $57m | 1Q26: $51m | 4Q25: $69m



(1) For a definition and a reconciliation to the most comparable GAAP measure, refer to Appendices ; (2) LTM refers to capitalized long-term maintenance costs.

Seadrill Full-Year 2026: Improved Guidance

Total Operating Revenues[1]

$1.56b – 1.58b

Prior Guidance: $1.50b - $1.55b

Adjusted EBITDA[2]

$440m – 460m

Prior Guidance: $420m - $450m

CapEx and LTM[3]

$210m - 230m

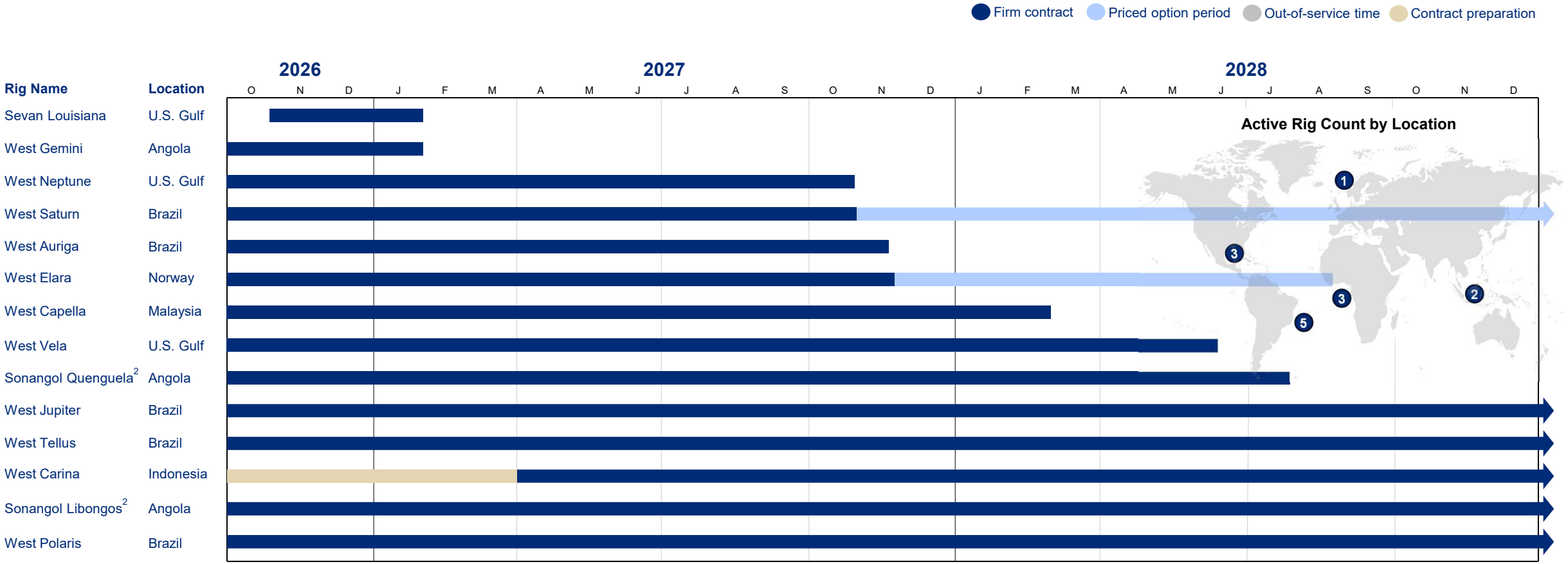
Prior Guidance: $200m - $240m



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(1) Total Operating Revenues excludes approximately $90 million of reimbursable revenues; (2) Due to the forward-looking nature of Adjusted EBITDA, the Company cannot reliably predict certain of the necessary components of the most directly comparable forward-looking GAAP measure, net (loss)/income. Accordingly, the Company is unable to present a quantitative reconciliation of such forward-looking non-GAAP financial measure to the most directly comparable forward-looking GAAP financial measure without unreasonable effort. The unavailable information could have a significant effect on the Company's full year 2026 GAAP financial results; (3) LTM refers to capitalized long-term maintenance costs.

Fleet Status Report[1]



(1) Fleet status report published at www.IR.Seadrill.com; (2) Owned by Sonangol.

Appendix 1: Reconciliation to GAAP Measures

Reconciliation of Net loss/(income) to Adjusted EBITDA (unaudited)

	Three months ended				Twelve months ended
(In $ millions)	September 30, 2026	June 30, 2026	March 31, 2026	December 31, 2025	September 30, 2026
Net (loss)/income	(30)	29	(7)	(10)	(18)
Depreciation and amortization	77	72	71	69	289
Loss on impairment of long-lived assets	-	-	-	22	22
Gain on disposals	-	-	-	(1)	(1)
Income tax expense/(benefit)	19	12	23	(29)	25
Total financial and other non-operating items, net	55	31	8	36	130
Merger and integration related expenses	-	-	1	1	2
Other adjustments [1]	-	-	1	-	1
Adjusted EBITDA	**121**	**144**	**97**	**88**	**450**

[1] Primarily related to executive management separation costs.

The table-above reconciles Net (loss)/income, the most directly comparable GAAP measure, to Adjusted EBITDA. Adjusted EBITDA represents Net (loss)/income before depreciation and amortization, income tax expense/benefit, loss on impairment of long-lived assets, gain on disposals, total financial and non-operating items, merger and integration related expenses and similar non-cash charges. Additionally, in any given period, the Company may have significant, unusual or non-recurring items which may be excluded from Adjusted EBITDA for that period. When applicable, these items are fully disclosed and incorporated into the reconciliation provided above. Adjusted EBITDA is a non-GAAP financial measure. The Company believes that the non-GAAP financial measure assists investors by excluding the potentially disparate effects between periods of depreciation and amortization, income tax expense/benefit, total financial items and non-operating items, merger and integration related expenses, loss on impairment of long-lived assets, gain on disposals and other adjustments specified, which are affected by various and possibly changing financing methods, capital structure and historical cost basis and which may significantly affect Net (loss)/income between periods. Adjusted EBITDA should not be considered as an alternative to Net (loss)/income or any other indicator of Seadrill Limited's performance calculated in accordance with GAAP. Because the definition of Adjusted EBITDA (or similar measures) may vary among companies and industries, it may not be comparable to other similarly titled measures used by other companies.

Appendix 2: Reconciliation to GAAP Measures

Reconciliation of Net Debt (Unaudited)

	As Of
(In $ millions, except for Net Leverage)	**September 30, 2026**
Gross principal debt	750
Cash and cash equivalents	483
Net Debt	**267**
Net Leverage	**0.6**

Reconciliation of Net cash provided by/(used in) operating activities to Free Cash Flow (Unaudited)

	Three Months Ended	
(In $ millions)	**September 30, 2026**	**June 30, 2026**
Net cash provided by/(used in) operating activities	195	(18)
Additions to drilling units and equipment	(16)	(25)
Free Cash Flow	**179**	**(43)**

Net Leverage is calculated as Net Debt (Non-GAAP) divided by LTM (last 12 months) Adjusted EBITDA (Non-GAAP). Net debt as of September 30, 2026, is calculated as total principal debt, including current maturities less cash and cash equivalents. Free Cash Flow is calculated as Net cash provided by/(used in) operating activities less Additions to drilling units and equipment. The Company believes Free Cash Flow is useful to investors, as it allows greater transparency of the utilization or generation of cash by the business. Because the definition of Free Cash Flow may vary among companies and industries, it may not be comparable to other similarly titled measures used by other companies. The table above reconciles Net cash provided by/(used in) operating activities, the most directly comparable GAAP measure, to Free Cash Flow for the three months ended September 30, 2026 and June 30, 2026.

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