Transocean Ltd. and Subsidiaries Non-GAAP Financial Measures and Reconciliations Adjusted Net Income and Diluted Earnings Per Share (in US\$ millions, except per share data)

	YTD 12/31/12		QTD 12/31/12		YTD 09/30/12		QTD 09/30/12		YTD 06/30/12		QTD 06/30/12		QTD 03/31/12	
Adjusted Net Income														
Net income (loss) attributable to controlling interest, as reported Add back (subtract):	\$	(219)	\$	456	\$	(675)	\$	(381)	\$	(294)	\$	(304)	\$	10
Litigation matters		756		-		756		6		750		750		-
Loss on impairment of goodwill and other assets		135		-		135		-		135		-		135
Gain on disposal of assets, net		(48)		-		(48)		(48)		-		-		-
Gain on retirement of debt		(2)		-		(2)		(2)		-		-		-
Loss on redeemed noncontrolling interest		25		-		25		-		25		14		11
Loss on impairment of discontinued operations		961		2		959		881		78		12		66
(Gain) loss on sale of discontinued operations		(69)		(1)		(68)		2		(70)		(72)		2
(Gain) loss from discontinued operations		135		(26)		161		33		128		59		69
Discrete tax items and other, net		(255)		(101)		(154)		15		(169)		(141)		(28)
Net income, as adjusted	\$	1,419	\$	330	\$	1,089	\$	506	\$	583	\$	318	\$	265
Diluted Earnings Per Share:														
Diluted earnings (loss) per share, as reported	\$	(0.62)	\$	1.26	\$	(1.90)	\$	(1.06)	\$	(0.84)	\$	(0.86)	\$	0.03
Add back (subtract):		. ,				. ,		. ,		. ,		, ,		
Litigation matters		2.11		-		2.12		0.02		2.12		2.11		-
Loss on impairment of goodwill and other assets		0.38		-		0.38		-		0.38				0.38
Gain on disposal of assets, net		(0.13)		-		(0.13)		(0.13)		-		-		-
Gain on retirement of debt		(0.01)				(0.01)		(0.01)				-		-
Loss on redeemed noncontrolling interest		0.07				0.07		-		0.07		0.04		0.03
Loss on impairment of discontinued operations		2.70				2.70		2.45		0.23		0.03		0.19
(Gain) loss on sale of discontinued operations		(0.19)		-		(0.19)		0.01		(0.20)		(0.20)		0.01
(Gain) loss from discontinued operations		0.38		(0.07)		0.45		0.09		0.36		0.17		0.19
Discrete tax items and other, net		(0.73)		(0.28)		(0.44)		0.03		(0.48)		(0.40)		(0.08)
Diluted earnings per share, as adjusted	\$	3.96	\$	0.91	\$	3.05	\$	1.40	\$	1.64	\$	0.89	\$	0.75
	,	VTD				VTD		отр	,			отр		חדר
Adjusted Net Income		YTD /31/11		QTD 2/31/11		YTD 9/30/11		QTD /30/11		YTD /30/11		QTD 5/30/11		2TD 31/11
Adjusted Net Income Net income (loss) attributable to controlling interest, as reported														
	12	/31/11	1;	2/31/11	09	9/30/11	09	/30/11	06	/30/11	06	5/30/11	03/	31/11
Net income (loss) attributable to controlling interest, as reported	12	/31/11	1;	2/31/11	09	9/30/11	09	/30/11	06	/30/11	06	5/30/11	03/	31/11
Net income (loss) attributable to controlling interest, as reported Add back (subtract):	12	/31/11 (5,754)	1;	2/31/11 (6,165)	09	9/30/11	09	/30/11	06	/30/11	06	5/30/11	03/	31/11
Net income (loss) attributable to controlling interest, as reported Add back (subtract): Litigation matters	12	/ <u>31/11</u> (5,754) 1,000	1;	2/31/11 (6,165) 1,000	09	9/30/11 411	09	/30/11 (32)	06	/30/11	06	5/30/11	03/	31/11
Net income (loss) attributable to controlling interest, as reported Add back (subtract): Litigation matters Acquisition costs	12	/31/11 (5,754) 1,000 22	1;	2/31/11 (6,165) 1,000 17	09	9/30/11 411	09	/30/11 (32)	06	/30/11	06	5/30/11	03/	31/11
Net income (loss) attributable to controlling interest, as reported Add back (subtract): Litigation matters Acquisition costs Loss on impairment of goodwill and other assets	12	/31/11 (5,754) 1,000 22 5,201	1;	2/31/11 (6,165) 1,000 17 5,201	09	9/30/11 411	09	/30/11 (32)	06	/30/11	06	5/30/11	03/	31/11
Net income (loss) attributable to controlling interest, as reported Add back (subtract): Litigation matters Acquisition costs Loss on impairment of goodwill and other assets Loss on marketable security	12	/31/11 (5,754) 1,000 22 5,201 13	1;	2/31/11 (6,165) 1,000 17 5,201	09	9/30/11 411 - 5 -	09	/ 30/11 (32) - 5 - -	06	/30/11	06	5/30/11	03/	31/11
Net income (loss) attributable to controlling interest, as reported Add back (subtract): Litigation matters Acquisition costs Loss on impairment of goodwill and other assets Loss on marketable security Loss on forward exchange contract	12	/31/11 (5,754) 1,000 22 5,201 13 78	1;	2/31/11 (6,165) 1,000 17 5,201 13 -	09	9/30/11 411 - 5 - - 78	09	/30/11 (32) - 5 - - 78	06	/30/11 443 - - - - -	06	5/30/11 124 - - - - -	03/	31/11
Net income (loss) attributable to controlling interest, as reported Add back (subtract): Litigation matters Acquisition costs Loss on impairment of goodwill and other assets Loss on marketable security Loss on forward exchange contract Loss on impairment of discontinued operations	12	/31/11 (5,754) 1,000 22 5,201 13 78 34	1;	2/31/11 (6,165) 1,000 17 5,201 13 - 4	09	9/30/11 411 - 5 - - 78 30	09	/30/11 (32) - 5 - - 78 5	06	/30/11 443 - - - - - 25	06	5/30/11 124 - - - - - - 25	03/	31/11 319 - - - - - - -
Net income (loss) attributable to controlling interest, as reported Add back (subtract): Litigation matters Acquisition costs Loss on impairment of goodwill and other assets Loss on marketable security Loss on forward exchange contract Loss on impairment of discontinued operations (Gain) loss on sale of discontinued operations	12	/31/11 (5,754) 1,000 22 5,201 13 78 34 (214)	1;	2/31/11 (6,165) 1,000 17 5,201 13 - 4 (24)	09	9/30/11 411 - 5 - 78 30 (190)	09	/30/11 (32) - 5 - - 78 5 (14)	06	/30/11 443 - - - - 25 (176)	06	5/30/11 124 - - - - 25 2 10 13	03/	31/11 319 - - - - - - - (178)
Net income (loss) attributable to controlling interest, as reported Add back (subtract): Litigation matters Acquisition costs Loss on impairment of goodwill and other assets Loss on marketable security Loss on forward exchange contract Loss on impairment of discontinued operations (Gain) loss on sale of discontinued operations Loss from discontinued operations	12	/31/11 (5,754) 1,000 22 5,201 13 78 34 (214) 95	1;	2/31/11 (6,165) 1,000 17 5,201 13 - 4 (24) 48	09	9/30/11 411 - 5 - 78 30 (190) 47	09	/30/11 (32) - 5 - - 78 5 (14) 11	06	/30/11 443 - - - 25 (176) 36	06	5/30/11 124 - - - - 25 2 10	03/	31/11 319 - - - - - - - - - - - - - - - - - - -
Net income (loss) attributable to controlling interest, as reported Add back (subtract): Litigation matters Acquisition costs Loss on impairment of goodwill and other assets Loss on marketable security Loss on forward exchange contract Loss on impairment of discontinued operations (Gain) loss on sale of discontinued operations Loss from discontinued operations Discrete tax items and other, net Net income, as adjusted Diluted Earnings Per Share:	<u>12</u> \$ \$	/31/11 (5,754) 1,000 22 5,201 13 78 34 (214) 95 19 494	1: \$ \$	2/31/11 (6,165) 1,000 17 5,201 13 - 4 (24) 48 (24) 48 (8) 86	<u>0</u> 9 \$ \$	9/30/11 411 - 5 - 78 30 (190) 47 27 408	<u>09</u> \$ \$	/30/11 (32) - 5 - - 78 5 (14) 11 (6) 47	<u>06</u> \$ \$	/30/11 443 - - - 25 (176) 36 33 361	<u>06</u> \$ \$	5/30/11 124 - - - 25 2 10 13 174	<u>03</u> , \$ \$	31/11 319 - - - - (178) 26 20 187
Net income (loss) attributable to controlling interest, as reported Add back (subtract): Litigation matters Acquisition costs Loss on impairment of goodwill and other assets Loss on marketable security Loss on forward exchange contract Loss on impairment of discontinued operations (Gain) loss on sale of discontinued operations Loss from discontinued operations Discrete tax items and other, net Net income, as adjusted Diluted Earnings Per Share: Diluted earnings (loss) per share, as reported	12	/31/11 (5,754) 1,000 22 5,201 13 78 34 (214) 95 19	1;	2/31/11 (6,165) 1,000 17 5,201 13 - 4 (24) 48 (24) 48 (8)	09	9/30/11 411 - 5 - 78 30 (190) 47 27	09	/30/11 (32) - 5 - - 78 5 (14) 11 (6)	06	/30/11 443 - - - 25 (176) 36 33	06	5/30/11 124 - - - - 25 2 10 13	<u>03</u> , \$	31/11 319 - - - - - (178) 26 20
Net income (loss) attributable to controlling interest, as reported Add back (subtract): Litigation matters Acquisition costs Loss on impairment of goodwill and other assets Loss on marketable security Loss on forward exchange contract Loss on impairment of discontinued operations (Gain) loss on sale of discontinued operations Loss from discontinued operations Discrete tax items and other, net Net income, as adjusted Diluted Earnings Per Share: Diluted earnings (loss) per share, as reported Add back (subtract):	<u>12</u> \$ \$	/31/11 (5,754) 1,000 22 5,201 13 78 34 (214) 95 19 494 (17.88)	1: \$ \$	2/31/11 (6,165) 1,000 17 5,201 13 - 4 (24) 48 (24) (24) (24) (24) (24) (24) (24) (24)	<u>0</u> 9 \$ \$	9/30/11 411 - 5 - 78 30 (190) 47 27 408	<u>09</u> \$ \$	/30/11 (32) - 5 - - 78 5 (14) 11 (6) 47	<u>06</u> \$ \$	/30/11 443 - - - 25 (176) 36 33 361	<u>06</u> \$ \$	5/30/11 124 - - - 25 2 10 13 174	<u>03</u> , \$ \$	31/11 319 - - - - (178) 26 20 187
Net income (loss) attributable to controlling interest, as reported Add back (subtract): Litigation matters Acquisition costs Loss on impairment of goodwill and other assets Loss on marketable security Loss on forward exchange contract Loss on impairment of discontinued operations (Gain) loss on sale of discontinued operations Loss from discontinued operations Discrete tax items and other, net Net income, as adjusted Diluted Earnings Per Share: Diluted earnings (loss) per share, as reported Add back (subtract): Litigation matters	<u>12</u> \$ \$	/31/11 (5,754) 1,000 22 5,201 13 78 34 (214) 95 19 494 (17.88) 3,10	1: \$ \$	2/31/11 (6,165) 1,000 17 5,201 13 - 4 (24) 48 (24) 48 (8) 86 (18,76) 3,04	<u>0</u> 9 \$ \$	2/30/11 411 - 5 - 78 30 (190) 47 27 408 1.28	<u>09</u> \$ \$	/30/11 (32) - 5 - 7 8 5 (14) 11 (6) 47 (0.10) -	<u>06</u> \$ \$	/30/11 443 - - - 25 (176) 36 33 361	<u>06</u> \$ \$	5/30/11 124 - - - 25 2 10 13 174	<u>03</u> , \$ \$	31/11 319 - - - - (178) 26 20 187
Net income (loss) attributable to controlling interest, as reported Add back (subtract): Litigation matters Acquisition costs Loss on impairment of goodwill and other assets Loss on marketable security Loss on forward exchange contract Loss on impairment of discontinued operations (Gain) loss on sale of discontinued operations Loss from discontinued operations Discrete tax items and other, net Net income, as adjusted Diluted Earnings Per Share: Diluted earnings (loss) per share, as reported Add back (subtract): Litigation matters Acquisition costs	<u>12</u> \$ \$	/31/11 (5,754) 1,000 22 5,201 13 78 34 (214) 95 19 494 (17.88) 3,10 0,07	1: \$ \$	2/31/11 (6,165) 1,000 17 5,201 13 - 4 (24) 48 (24) 48 (8) 86 (18.76) 3,04 0.05	<u>0</u> 9 \$ \$	9/30/11 411 - 5 - 78 30 (190) 47 27 408	<u>09</u> \$ \$	/30/11 (32) - 5 - - 78 5 (14) 11 (6) 47	<u>06</u> \$ \$	/30/11 443 - - - 25 (176) 36 33 361	<u>06</u> \$ \$	5/30/11 124 - - - 25 2 10 13 174	<u>03</u> , \$ \$	31/11 319 - - - - (178) 26 20 187
Net income (loss) attributable to controlling interest, as reported Add back (subtract): Litigation matters Acquisition costs Loss on impairment of goodwill and other assets Loss on marketable security Loss on forward exchange contract Loss on impairment of discontinued operations (Gain) loss on sale of discontinued operations Loss from discontinued operations Discrete tax items and other, net Net income, as adjusted Diluted Earnings Per Share: Diluted earnings (loss) per share, as reported Add back (subtract): Litigation matters Acquisition costs Loss on impairment of goodwill and other assets	<u>12</u> \$ \$	/31/11 (5,754) 1,000 22 5,201 13 78 34 (214) 95 19 494 (17.88) 3.10 0.07 16.15	1: \$ \$	2/31/11 (6,165) 1,000 17 5,201 13 - 4 (24) 48 (24) 48 (8) 86 (18.76) 3,04 0.05 15.83	<u>0</u> 9 \$ \$	2/30/11 411 - 5 - 78 30 (190) 47 27 408 1.28	<u>09</u> \$ \$	/30/11 (32) - 5 - 7 8 5 (14) 11 (6) 47 (0.10) -	<u>06</u> \$ \$	/30/11 443 - - - 25 (176) 36 33 361	<u>06</u> \$ \$	5/30/11 124 - - - 25 2 10 13 174	<u>03</u> , \$ \$	31/11 319 - - - - (178) 26 20 187
Net income (loss) attributable to controlling interest, as reported Add back (subtract): Litigation matters Acquisition costs Loss on impairment of goodwill and other assets Loss on marketable security Loss on forward exchange contract Loss on impairment of discontinued operations (Gain) loss on sale of discontinued operations Loss from discontinued operations Discrete tax items and other, net Net income, as adjusted Diluted Earnings Per Share: Diluted earnings (loss) per share, as reported Add back (subtract): Litigation matters Acquisition costs Loss on impairment of goodwill and other assets Loss on marketable security	<u>12</u> \$ \$	/31/11 (5,754) 1,000 22 5,201 13 78 34 (214) 95 19 494 (17.88) 3.10 0.07 16.15 0.04	1: \$ \$	2/31/11 (6,165) 1,000 17 5,201 13 - 4 (24) 48 (24) 48 (8) 86 (18.76) 3,04 0.05 15.83 0.04	<u>0</u> 9 \$ \$	2/30/11 411 - - - - 78 30 (190) 47 27 408 1.28 - 0.02 - - -	<u>09</u> \$ \$	/30/11 (32) - 5 - 7 8 5 (14) 11 (14) 11 (6) 47 (0.10) - 0.02 - - 0.02 - -	<u>06</u> \$ \$	/30/11 443 - - - 25 (176) 36 33 361	<u>06</u> \$ \$	5/30/11 124 - - - 25 2 10 13 174	<u>03</u> , \$ \$	31/11 319 - - - - (178) 26 20 187
Net income (loss) attributable to controlling interest, as reported Add back (subtract): Litigation matters Acquisition costs Loss on impairment of goodwill and other assets Loss on marketable security Loss on forward exchange contract Loss on impairment of discontinued operations (Gain) loss on sale of discontinued operations Loss from discontinued operations Discrete tax items and other, net Net income, as adjusted Diluted Earnings Per Share: Diluted earnings (loss) per share, as reported Add back (subtract): Litigation matters Acquisition costs Loss on impairment of goodwill and other assets Loss on marketable security Loss on forward exchange contract	<u>12</u> \$ \$	/31/11 (5,754) 1,000 22 5,201 13 78 34 (214) 95 19 494 (17.88) 3.10 0.07 16.15 0.04 0.24	1: \$ \$	2/31/11 (6,165) 1,000 17 5,201 13 - 4 (24) 48 (24) 48 (8) 86 (18.76) 3,04 0,05 15,83 0,04 -	<u>0</u> 9 \$ \$	2/30/11 411 - 5 - 78 30 (190) 47 27 408 1.28 1.28 - 0.02 - - 0.26	<u>09</u> \$ \$	/30/11 (32) - 5 - 7 8 5 (14) 11 (6) 47 (0.10) - 0.02 - 0.25	<u>06</u> \$ \$	/30/11 443 - - - 25 (176) 36 33 361 1.38 - - - - - - - - - - - - - - - - - - -	<u>06</u> \$ \$	5/30/11 124 - - - - - - - - - - - - -	<u>03</u> , \$ \$	31/11 319 - - - - (178) 26 20 187
Net income (loss) attributable to controlling interest, as reported Add back (subtract): Litigation matters Acquisition costs Loss on impairment of goodwill and other assets Loss on marketable security Loss on forward exchange contract Loss on impairment of discontinued operations (Gain) loss on sale of discontinued operations Loss from discontinued operations Discrete tax items and other, net Net income, as adjusted Diluted Earnings Per Share: Diluted earnings (loss) per share, as reported Add back (subtract): Litigation matters Acquisition costs Loss on impairment of goodwill and other assets Loss on marketable security Loss on forward exchange contract Loss on impairment of discontinued operations	<u>12</u> \$ \$	/31/11 (5,754) 1,000 22 5,201 13 78 34 (214) 95 19 494 (17.88) 3.10 0.07 16.15 0.04 0.24 0.11	1: \$ \$	2/31/11 (6,165) 1,000 17 5,201 13 - 4 (24) 48 (24) 48 (8) 86 (18.76) 3,04 0,05 15,83 0,04 - 0,01	<u>0</u> 9 \$ \$	2/30/11 411 - 5 - 78 30 (190) 47 27 408 1.28 1.28 - 0.02 - - 0.26 0.11	<u>09</u> \$ \$	/30/11 (32) - 5 - 7 8 5 (14) 11 (6) 47 (0.10) - 0.02 - 0.02 - 0.25 0.02	<u>06</u> \$ \$	/30/11 443 - - - 25 (176) 36 33 361 1.38 - - - - - - - - - - - - - - - - - - -	<u>06</u> \$ \$	5/30/11 124 - - - - - - - - - - - - -	<u>03</u> , \$ \$	31/11 319 - - - - (178) 26 20 187 0.99 - - - - - - - - - - - - - - - - - -
Net income (loss) attributable to controlling interest, as reported Add back (subtract): Litigation matters Acquisition costs Loss on impairment of goodwill and other assets Loss on marketable security Loss on forward exchange contract Loss on impairment of discontinued operations (Gain) loss on sale of discontinued operations Loss from discontinued operations Discrete tax items and other, net Net income, as adjusted Diluted Earnings Per Share: Diluted earnings (loss) per share, as reported Add back (subtract): Litigation matters Acquisition costs Loss on impairment of goodwill and other assets Loss on impairment of goodwill and other assets Loss on impairment of goodwill and other assets Loss on impairment of discontinued operations (Gain) loss on sale of discontinued operations (Gain) loss on sale of discontinued operations	<u>12</u> \$ \$	/31/11 (5,754) 1,000 22 5,201 13 78 34 (214) 95 19 494 (17.88) 3,10 0.07 16,15 0.04 0,24 0,11 (0,66)	1: \$ \$	2/31/11 (6,165) 1,000 17 5,201 13 - (24) 48 (24) 48 (8) 86 (18.76) 3,04 0.05 15,83 0,04 - 0,01 (0.07)	<u>0</u> 9 \$ \$	2/30/11 411 - 5 - 78 30 (190) 47 27 408 1.28 - 0.02 - 0.26 0.11 (0.62)	<u>09</u> \$ \$	/30/11 (32) - 5 - 7 8 5 (14) 11 (6) 47 (0.10) - 0.02 - 0.02 - 0.25 0.02 (0.04)	<u>06</u> \$ \$	/30/11 443 - - - 25 (176) 36 33 361 1.38 - - - - - - - - - - - - - - - - - - -	<u>06</u> \$ \$	5/30/11 124 - - - - - - - - - - - - -	<u>03</u> , \$ \$	31/11 319 - - - - (178) 26 20 187 0.99 - - - - - - - - - - - - - - - - - -
Net income (loss) attributable to controlling interest, as reported Add back (subtract): Litigation matters Acquisition costs Loss on impairment of goodwill and other assets Loss on marketable security Loss on forward exchange contract Loss on impairment of discontinued operations (Gain) loss on sale of discontinued operations Loss from discontinued operations Discrete tax items and other, net Net income, as adjusted Diluted Earnings Per Share: Diluted earnings (loss) per share, as reported Add back (subtract): Litigation matters Acquisition costs Loss on impairment of goodwill and other assets Loss on marketable security Loss on forward exchange contract Loss on impairment of discontinued operations (Gain) loss on sale of discontinued operations Loss from discontinued operations Loss from discontinued operations Loss from discontinued operations	<u>12</u> \$ \$	/31/11 (5,754) 1,000 22 5,201 13 78 34 (214) 95 19 494 (214) 95 19 494 (17.88) 3,10 0,07 16,15 0,04 0,24 0,11 (0,66) 0,29	1: \$ \$	2/31/11 (6,165) 1,000 17 5,201 13 - 4 (24) 48 (24) 48 (8) 86 (18.76) 3,04 0,05 15,83 0,04 - 0,01 (0,07) 0,15	<u>0</u> 9 \$ \$	2/30/11 411 - 5 - 78 30 (190) 47 27 408 1.28 0.02 - 0.26 0.11 (0.62) 0.16	<u>09</u> \$ \$	/30/11 (32) - 5 - 7 8 5 (14) 11 (6) 47 (0.10) - 0.02 - - 0.02 - - 0.25 0.02 (0.04) 0.03	<u>06</u> \$ \$	/30/11 443 - - - 25 (176) 36 33 361 1.38 - - - - 0.09 (0.56) 0.11	<u>06</u> \$ \$	5/30/11 124 - - - - - - - - - - - - -	<u>03</u> , \$ \$	31/11 319 - - - - (178) 26 20 187 0.99 - - - - - - - - - - - - - - - - - -
Net income (loss) attributable to controlling interest, as reported Add back (subtract): Litigation matters Acquisition costs Loss on impairment of goodwill and other assets Loss on marketable security Loss on forward exchange contract Loss on impairment of discontinued operations (Gain) loss on sale of discontinued operations Loss from discontinued operations Discrete tax items and other, net Net income, as adjusted Diluted Earnings Per Share: Diluted earnings (loss) per share, as reported Add back (subtract): Litigation matters Acquisition costs Loss on impairment of goodwill and other assets Loss on impairment of goodwill and other assets Loss on impairment of goodwill and other assets Loss on impairment of discontinued operations (Gain) loss on sale of discontinued operations (Gain) loss on sale of discontinued operations	<u>12</u> \$ \$	/31/11 (5,754) 1,000 22 5,201 13 78 34 (214) 95 19 494 (17.88) 3,10 0.07 16,15 0.04 0,24 0,11 (0,66)	1: \$ \$	2/31/11 (6,165) 1,000 17 5,201 13 - (24) 48 (24) 48 (8) 86 (18.76) 3,04 0.05 15,83 0,04 - 0,01 (0.07)	<u>0</u> 9 \$ \$	2/30/11 411 - 5 - 78 30 (190) 47 27 408 1.28 - 0.02 - 0.26 0.11 (0.62)	<u>09</u> \$ \$	/30/11 (32) - 5 - 7 8 5 (14) 11 (6) 47 (0.10) - 0.02 - 0.02 - 0.25 0.02 (0.04)	<u>06</u> \$ \$	/30/11 443 - - - 25 (176) 36 33 361 1.38 - - - - - - - - - - - - - - - - - - -	<u>06</u> \$ \$	5/30/11 124 - - - - - - - - - - - - -	<u>03</u> , \$ \$	31/11 319 - - - - (178) 26 20 187 0.99 - - - - - - - - - - - - - - - - - -



Transocean Ltd. and Subsidiaries Non-GAAP Financial Measures and Reconciliations Adjusted Net Income and Diluted Earnings Per Share (in US\$ millions, except per share data)

	YTD 12/31/10		QTD 12/31/10		YTD 09/30/10		QTD 09/30/10		YTD 06/30/10		QTD 06/30/10		QTD 03/31/10	
Adjusted Net Income														
Net income (loss) attributable to controlling interest, as reported	\$	926	\$	(841)	\$	1,767	\$	375	\$	1,392	\$	715	\$	677
Add back (subtract):														
Litigation matters		39		8		31		15		16		11		5
Loss on disposal of other assets, net		15		-		15		-		15		-		15
Gain on loss of drilling unit		(267)		-		(267)		-		(267)		(267)		-
(Gain) loss on retirement of debt		33		13		20		22		(2)		-		(2)
Loss on impairment of discontinued operations		1,022		1,009		13		-		13		-		13
Gain on sale of discontinued operations		(2)		-		(2)		-		(2)		-		(2)
Gain from discontinued operations		(126)		(8)		(118)		(11)		(107)		(40)		(67)
Discrete tax items and other, net		41		12		29		12		17		(3)		20
Net income, as adjusted	\$	1,681	\$	193	\$	1,488	\$	413	\$	1,075	\$	416	\$	659
Diluted Earnings Per Share:														
Diluted earnings (loss) per share, as reported	\$	2.88	\$	(2.63)	\$	5.49	\$	1.17	\$	4.31	\$	2.22	\$	2.09
Add back (subtract):														
Litigation matters		0.12		0.02		0.10		0.05		0.05		0.03		0.02
Loss on disposal of other assets, net		0.05		-		0.05		-		0.05		-		0.05
Gain on loss of drilling unit		(0.83)		-		(0.83)		-		(0.83)		(0.83)		-
(Gain) loss on retirement of debt		0.10		0.04		0.06		0.07		(0.01)		-		(0.01)
Loss on impairment of discontinued operations		3.18		3.15		0.05		-		0.04		-		0.05
Gain on sale of discontinued operations		(0.01)		-		(0.01)		-		(0.01)		-		-
Gain from discontinued operations		(0.39)		(0.02)		(0.37)		(0.03)		(0.33)		(0.13)		(0.22)
Discrete tax items and other, net		0.12		0.04		0.08		0.03		0.06		-		0.09
Diluted earnings per share, as adjusted	\$	5.22	\$	0.60	\$	4.62	\$	1.29	\$	3.33	\$	1.29	\$	2.07