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 |