Transocean Ltd. Announces Construction Contracts For Two Newbuild Ultra-Deepwater Drillships

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ZUG, SWITZERLAND - February 26, 2014 - Transocean Ltd. (NYSE: RIG) (SIX: RIGN) today announced that a subsidiary has awarded contracts to Sembcorp Marine's subsidiary, Jurong Shipyard, in Singapore for construction of two newbuild dynamically positioned ultra-deepwater drillships. The two drillships are expected to be delivered from the shipyard in the second quarter of 2017 and the first quarter of 2018, respectively. The combined capital cost for the two drillships is estimated at approximately $1.24 billion including the shipyard contracts; project management; owner-furnished equipment; inventory and capital spares; but excluding capitalized interest. The payment terms for both rigs are very favorable to Transocean.

Additionally, Transocean has entered into an option agreement to order up to three additional drillships of the same design and specifications on similar terms. The first option must be exercised within one year, the second within 18 months, and the final within 24 months.

"These newbuild drillship orders highlight continued execution of our long-term asset strategy," said Steven L. Newman, President and Chief Executive Officer of Transocean Ltd. "We are committed to reinvesting in our fleet through the addition of differentiated, high-specification and high-return assets that will appeal to a wide spectrum of our customers. We are very pleased to partner with Sembcorp Marine's Jurong Shipyard in this effort."

The drillships will be built based on Jurong Shipyard's proprietary Jurong Espadon III design and will possess advanced capabilities for highly efficient ultra-deepwater development drilling operations worldwide. Specially designed for enhanced drilling operations with state-of-the-art drilling facilities, a large moon pool to accommodate a larger riser angle, and a hull designed for superior motion characteristics, the drillships will also feature a large deck space with an enclosed riser bay, a flexible mud system for completion operations, and Transocean's patented hybrid power system for lower emissions and improved fuel economy. The dual-activity rigs are equipped with Dynamic Positioning Class 3 (DP-3) capabilities, and the drillships' 1,250-ton load path will enable operations in up to 12,000-foot water depths and drilling depths of up to 40,000 feet. The drillships will have accommodations for a crew of 220 personnel and will be initially outfitted with one 15,000 psi blowout preventer (BOP) with the ability to add a second BOP.

Forward-Looking Statements

The statements described in this press release that are not historical facts are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements which could be made include, but are not limited to, shipyard construction commencement dates, costs, delivery and operational capabilities. These include but are not limited to operating hazards and delays, risks associated with international operations, actions by customers and other third parties, the future prices of oil and gas and other factors, including those discussed in the company's most recent Form 10-K for the year ended December 31, 2013 and in the company's other filings with the SEC, which are available free of charge on the SEC's website at www.sec.gov. Should one or more of these risks or uncertainties materialize (or the other consequences of such a development worsen), or should underlying assumptions prove incorrect, actual results may vary materially from those indicated or expressed or implied by such forward-looking statements. All subsequent written and oral forward-looking statements attributable to the company 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, and we undertake no obligation to publicly update or revise any forward-looking statements. All non-GAAP financial measure reconciliations to the most comparative GAAP measure are displayed in quantitative schedules on the company's website at www.deepwater.com.

This press release or referenced documents does not constitute an offer to sell, or a solicitation of an offer to buy, any securities, and it does not constitute an offering prospectus within the meaning of article 652a or article 1156 of the Swiss Code of Obligations or a listing prospectus within the meaning of the listing rules of the SIX Swiss Exchange. Investors must rely on their own evaluation of Transocean Ltd. and its securities, including the merits and risks involved. Nothing contained herein is, or shall be relied on as, a promise or representation as to the future performance of Transocean Ltd.

About Transocean

Transocean is a leading international provider of offshore contract drilling services for oil and gas wells. The company specializes in technically demanding sectors of the global offshore drilling business with a particular focus on deepwater and harsh environment drilling services, and believes that it operates one of the most versatile offshore drilling fleets in the world.

Transocean owns or has partial ownership interests in, and operates a fleet of, 79 mobile offshore drilling units consisting of 46 high-specification floaters (ultra-deepwater, deepwater and harsh-environment drilling rigs), 22 midwater floaters and 11 high-specification jackups. In addition, including the newbuild drillships announced herein, the company has nine ultra-deepwater drillships and five high-specification jackups under construction.

For more information about Transocean, please visit the website www.deepwater.com.

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