



Transocean Ltd. Announces Exchange Offers and Consent Solicitations for certain Existing Notes

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STEINHAUSEN, Switzerland, Aug. 10, 2020 (GLOBE NEWSWIRE) -- Transocean Ltd. (NYSE: RIG) announced today that Transocean Inc., its wholly-owned subsidiary (collectively with Transocean Ltd., "Transocean"), has commenced exchange offers (the "Exchange Offers") to exchange the existing notes listed below (the "Existing Notes") for up to an aggregate principal amount of \$750,000,000 (subject to increase or decrease by Transocean Inc., the "Maximum New Notes Amount") of the applicable series of new notes (the "New Senior Guaranteed Notes") issued by Transocean Inc.

The New Senior Guaranteed Notes will be guaranteed by Transocean Ltd. and three indirect holding company subsidiaries of Transocean Inc.: Transocean Mid Holdings 1 Limited ("Mid Holdings 1"), Transocean Mid Holdings 2 Limited ("Mid Holdings 2") and Transocean Mid Holdings 3 Limited ("Mid Holdings 3", and collectively with Mid Holdings 1 and Mid Holdings 2, the "Structurally Senior Guarantors"). The Structurally Senior Guarantors are owned by Transocean Holdings 1 Limited, Transocean Holdings 2 Limited and Transocean Holdings 3 Limited which, following Transocean's previously announced internal reorganization transactions, will continue to own, directly or indirectly, all of the outstanding equity interests of the other subsidiaries of Transocean Inc., including Transocean Asset Holdings 1 Limited, Transocean Asset Holdings 2 Limited and Transocean Asset Holdings 3 Limited.

Concurrent with the Exchange Offers, Transocean has commenced a solicitation of consents (the "Consent Solicitations" and, together with the Exchange Offers, the "Offers") from Eligible Holders (as defined below) of the Existing Notes to amend certain provisions of the indentures (the "Proposed Amendments") with respect to the applicable series of Existing Notes (such indentures, the "Existing Indentures"). The terms and conditions of the Offers are described in an Exchange Offer Memorandum and Consent Solicitation Statement, dated August 10, 2020 (the "Exchange Offer Memorandum").

The following table describes certain terms of the Offers:

Title of Existing Notes	CUSIP Number ⁽³⁾	Principal Amount Outstanding	Acceptance Priority Level ⁽⁴⁾	Series of New Senior Guaranteed Notes	Exchange Consideration ⁽⁵⁾	Early Exchange Premium ⁽⁵⁾⁽⁶⁾	Total Consideration ⁽⁵⁾⁽⁷⁾
6.375% Senior Notes due 2021 ⁽¹⁾	893830BB4	\$ 184,000,000	1	10.00% Senior Guaranteed Notes due 2025	\$775.00	\$50.00	\$825.00
3.800% Senior Notes due 2022 ⁽¹⁾	893830BC2	\$ 182,000,000	2	10.00% Senior Guaranteed Notes due 2025	\$575.00	\$50.00	\$625.00
7.25% Senior Notes due 2025	893830BK4 / G90073AD2	\$ 750,000,000	3	11.50% Senior Guaranteed Notes due 2027	\$375.00	\$50.00	\$425.00
7.50% Senior Notes due 2026	893830BF5 / G90073AB6	\$ 750,000,000	4	11.50% Senior Guaranteed Notes due 2027	\$375.00	\$50.00	\$425.00
8.00% Senior Notes due 2027	893830BL2 / G90073AE0	\$ 750,000,000	5	11.50% Senior Guaranteed Notes due 2027	\$375.00	\$50.00	\$425.00
8.00% Debentures due 2027	893817AB2	\$ 57,000,000	6	11.50% Senior Guaranteed Notes due 2027	\$325.00	\$50.00	\$375.00
7.45% Notes due 2027	893817AA4	\$ 88,000,000	7	11.50% Senior Guaranteed Notes due 2027	\$325.00	\$50.00	\$375.00

7.00% Notes due 2028 ⁽²⁾	379352AL1	\$ 300,000,000	8	11.50% Senior Guaranteed Notes due 2027	\$325.00	\$50.00	\$375.00
7.50% Notes due 2031	893830AF6	\$ 588,000,000	9	11.50% Senior Guaranteed Notes due 2027	\$325.00	\$50.00	\$375.00
6.80% Senior Notes due 2038	893830AT6	\$ 1,000,000,000	10	11.50% Senior Guaranteed Notes due 2027	\$325.00	\$50.00	\$375.00
7.35% Senior Notes due 2041 ⁽¹⁾	893830AZ2	\$ 300,000,000	11	11.50% Senior Guaranteed Notes due 2027	\$325.00	\$50.00	\$375.00

- (1) The interest rate for the 2021 Notes, 2022 Notes and 2041 Notes have been increased to 8.375%, 5.800% and 9.35%, respectively, pursuant to the terms of the indenture governing such notes.
- (2) Global Marine Inc. is the issuer of the 2028 Notes and Transocean Inc. is a guarantor of such notes.
- (3) No representation is made as to the correctness or accuracy of the CUSIP numbers listed in this press release or printed on the Existing Notes. They are provided solely for convenience.
- The Maximum New Notes Amount of New Senior Guaranteed Notes that may be issued to Eligible Holders pursuant to the Offers is \$750,000,000 (subject to increase or decrease by Transocean Inc. in its sole discretion, subject to applicable law). Accordingly, Existing Notes accepted for exchange on the Settlement Date (as defined below) will be accepted in accordance based on the order of priority (the "Acceptance Priority Levels") set forth herein (with "1" being the highest Acceptance Priority Level and "11" being the lowest Acceptance Priority Level).
- (4) Transocean Inc. will only accept for exchange Existing Notes up to an aggregate principal amount that will not result in the aggregate principal amount of New Senior Guaranteed Notes issued pursuant to the Exchange Offers to exceed the Maximum New Notes Amount. Transocean Inc. reserves the right, in its sole discretion, subject to applicable law, to increase or decrease the Maximum New Notes Amount, but there can be no assurance that Transocean Inc. will do so.
- Consideration in the form of principal amount of New 2025 Senior Guaranteed Notes or New 2027 Senior Guaranteed Notes, as applicable, per \$1,000 principal amount of Existing Notes that are validly tendered and accepted for exchange, subject to any rounding as described herein.
- (5) Excludes accrued and unpaid interest, which will be paid in cash in addition to the Exchange Consideration or the Total Consideration, as applicable, on the Settlement Date.
- (6) The Early Exchange Premium (as defined below) will be payable to Eligible Holders who validly tender Existing Notes at or prior to the Early Tender Time (as defined below).
- (7) Includes the Early Exchange Premium for Existing Notes validly tendered at or prior to the Early Tender Time.

Each Exchange Offer and Consent Solicitation will expire at 11:59 p.m., New York City time on September 4, 2020, or any other date and time to which Transocean Inc. extends such date and time in its sole discretion (such date and time for such Exchange Offer or Consent Solicitation, as it may be extended, the "Expiration Time"), unless earlier terminated.

To be eligible to receive the applicable total consideration (the "Total Consideration") in the applicable Exchange Offer and Consent Solicitation, Eligible Holders must validly tender and not validly withdraw their Existing Notes and validly deliver and not revoke their consents at or prior to 5:00 p.m., New York City time, on August 21, 2020, or any other date and time to which Transocean Inc. extends such period for such Exchange Offer or Consent Solicitation in its sole discretion (such time and date for such Exchange Offer or Consent Solicitation, as it may be extended, the "Early Tender Time"). Eligible Holders validly tendering their Existing Notes after the applicable Early Tender Time and at or prior to the Expiration Time will only be eligible to receive the applicable exchange consideration set forth in the table above (the "Exchange Consideration"), which equals the applicable Total Consideration less the applicable early exchange premium (the "Early Exchange Premium").

Validly tendered Existing Notes may be withdrawn and related consents revoked, with respect to an Offer and Consent Solicitation for any series of Existing Notes at or prior to, and not thereafter (subject to applicable law), (x) in the case of 7.25% Senior Notes due 2025, 7.50% Senior Notes due 2026 and 8.00% Senior Notes due 2027 (collectively, the "Existing Guaranteed Notes"), 5:00 p.m., New York City time, on August 21, 2020, unless extended by Transocean Inc. in its sole discretion, and (y) in the case of any other series of Existing Notes, the earlier of (i) the time of execution of the Supplemental Indenture (as defined below) relating to such series of Existing Notes (which is expected to occur promptly after receipt of the Requisite Consents for such series), (ii) 5:00 p.m., New York City time, on August 21, 2020, unless extended by Transocean Inc. in its sole discretion (provided the Consent Solicitation with respect to such series of Existing Notes is also terminated as of such date and time) and (iii) the termination of the Consent Solicitation with respect to such series of Existing Notes. The occurrence of such event with respect to a series of Existing Notes described in clause (x) or (y), as applicable, in the prior sentence is referred to as the "Withdrawal Deadline" for such series of Existing Notes.

Transocean Inc. expressly reserves the right, but is under no obligation, to increase or decrease the Maximum New Notes Amount at any time, subject to applicable law. This could result in Transocean Inc. purchasing a greater or lesser aggregate principal amount of Existing Notes in the Offers and issuing a greater or lesser aggregate principal amount of New Senior Guaranteed Notes. There can be no assurance that Transocean Inc. will exercise its right to increase or decrease the Maximum New Notes Amount.

Transocean Inc. will exchange any Existing Notes that have been validly tendered at or prior to the Expiration Time and that it chooses to accept for exchange, subject to all conditions to such Offer having been either satisfied or waived by Transocean Inc., within three business days following the Expiration Time or as promptly as practicable thereafter (the settlement date of such exchange with respect to an Offer being referred to as the "Settlement Date"), subject to the Maximum New Notes Amount, the Acceptance Priority Level and proration.

Subject to the Maximum New Notes Amount and proration, all Existing Notes of a series validly tendered at or before the Expiration Time having a higher Acceptance Priority Level will be accepted before any Existing Notes of another series tendered at or before the Expiration Time having a lower Acceptance Priority Level are accepted, even if the Existing Notes having a lower Acceptance Priority Level were tendered prior to the applicable Early Tender Time and the Existing Notes having a higher Acceptance Priority Level were tendered after the Early Tender Time but on or prior to the Expiration Time. Accordingly, even if the Offers are fully subscribed such that the Aggregate Exchange Consideration issuable in respect of Existing Notes validly tendered equals at least the Maximum New Notes Amount as of the applicable Early Tender Time, Existing Notes validly tendered at or before the applicable Early Tender Time may be subject to proration if Transocean Inc. accepts Existing Notes tendered after the applicable Early Tender Time but on or prior to the Expiration Time that have a higher Acceptance Priority Level than such Existing Notes. In such a scenario, Transocean Inc. will (assuming satisfaction or waiver of the conditions set forth in the Exchange Offer Memorandum with respect to the Offers) accept all validly tendered Existing Notes and related consents, on or prior to the Expiration Time on a prorated basis based on the Acceptance Priority Level such that the Aggregate Exchange Consideration equals the Maximum New Notes Amount (subject to rounding down to the nearest \$1,000). A Consent Solicitation with respect to a series of Existing Notes will be terminated if either (i) the consents of holders of a majority in aggregate principal amount of such series of Existing Notes outstanding (excluding any Existing Notes held by Transocean Inc. or its affiliates) (with respect to each series of Existing Notes, the "Requisite Consents") for such series are not obtained, or (ii) such series is subject to proration in the related Offer, and in either such case, the applicable Proposed Amendments for such series of Existing Notes will not become effective.

All Existing Notes not accepted as a result of proration will be rejected from the applicable Offer and will be promptly returned to the tendering Eligible Holder.

Existing Notes may be tendered and accepted for exchange only in principal amounts equal to minimum denominations of \$1,000 and integral multiples of \$1,000 in excess thereof. Existing Guaranteed Notes may be tendered and accepted for exchange only in principal amounts equal to minimum denominations of \$2,000 and integral multiples of \$1,000 in excess thereof, *provided* that the New Senior Guaranteed Notes will be issued with minimum denominations of \$1,000 and integral multiples of \$1,000 in excess thereof. Eligible Holders who do not tender all of their Existing Notes of a series must ensure that (i) they retain a principal amount of each such series of Existing Notes amounting to at least the applicable minimum denomination for such series and (ii) they tender a sufficient principal amount to receive the applicable minimum denomination for such series of New Senior Guaranteed Notes. Any Existing Notes of a series tendered by an Eligible Holder that fails to tender a sufficient amount to receive the applicable minimum denomination will be rejected. If proration causes Transocean Inc. to return less than the minimum denomination of a series of Existing Notes to an Eligible Holder, then Transocean Inc. will either accept all or reject all of the Existing Notes of such series tendered by such Existing Holder. The amount of New Senior Guaranteed Notes to be issued to any Eligible Holder will be rounded down to the nearest \$1,000. Any fractional portion of New Senior Guaranteed Notes not received as a result of rounding down will be paid in cash.

If the Requisite Consents to the applicable Proposed Amendments are received and not revoked with respect to a series of Existing Notes, Transocean Inc. and the trustee under the Existing Indenture governing such series of Existing Notes are expected to execute a supplemental indenture to such Existing Indenture providing for the Proposed Amendments (with respect to any such series of Existing Notes, a "Supplemental Indenture"), promptly after receipt of such Requisite Consents. The Supplemental Indenture will affect the Proposed Amendments only with respect to such series of Existing Notes for which the applicable Requisite Consents were received and not revoked. The adoption of the Proposed Amendments with respect to any series of Existing Notes is not conditioned upon the consummation of any other Consent Solicitation or adoption of the Proposed Amendments in respect of any other series of Existing Notes or obtaining any Requisite Consent with respect to any other series of Existing Notes. The failure to obtain the Requisite Consents with respect to any series of Existing Notes will not affect Transocean Inc.'s ability to enter into the Supplemental Indenture and cause the Proposed Amendments to become effective for any other series of Existing Notes. If an Offer or the related Consent Solicitation with respect to a series of Existing Notes is terminated or withdrawn, the Existing Indenture governing such series of Existing Notes will remain in effect in its present form with respect to such series of Existing Notes. However, if the Proposed Amendments for a series of Existing Notes become operative, Eligible Holders of such series of Existing Notes who do not tender Existing Notes will be bound by the applicable Proposed Amendments, meaning that their Existing Notes will be governed by an Indenture as amended by the applicable Supplemental Indenture.

Each Offer and Consent Solicitation is a separate offer and/or solicitation, and each may be individually amended, extended, terminated or withdrawn, subject to certain conditions and applicable law, at any time in Transocean Inc.'s sole discretion, and without amending, extending, terminating or withdrawing any other Offer or Consent Solicitation. No Offer is conditioned upon any minimum principal amount of Existing Notes of any series being tendered nor the consummation of any other Offer or Consent Solicitation. Additionally, notwithstanding any other provision of the Offers, Transocean Inc.'s obligation to accept and exchange any of the Existing Notes validly tendered pursuant to the Offers is subject to the satisfaction or waiver of certain conditions, as described in the Exchange Offer Memorandum, and Transocean Inc. expressly reserves the right, subject to applicable law, to terminate any Exchange Offer and/or Consent Solicitation at any time.

The Offers are being made, and the applicable series of New Senior Guaranteed Notes are being offered, only to holders of the Existing Notes who are either (a) persons other than "U.S. persons" as defined in Regulation S, and who agree to purchase the New Senior Guaranteed Notes outside of the United States, and who are otherwise in compliance with the requirements of Regulation S; or (b) persons who are reasonably believed to be "qualified institutional buyers" as defined in Rule 144A under the U.S. Securities Act of 1933, as amended (the "Securities Act") and to whom the New Senior Guaranteed Notes are offered in the United States in a transaction not involving a public offering, pursuant to Section 4(a)(2) of the Securities Act; *provided* that, in each case, if such holder is in the European Economic Area or the United Kingdom, such holder is not a "retail investor". For these purposes, a "retail investor" means a person who is one (or more) of: (i) a "retail client" as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II"); or (ii) a "customer" within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a "qualified investor" as defined in Regulation (EU) 2017/1129. The holders of Existing Notes who have certified to Transocean Inc. that they are eligible to participate in the Offers and Consent Solicitations pursuant to at least one of the foregoing conditions are referred to as "*Eligible Holders.*" Eligible Holders may go to www.dfking.com/transocean to confirm their eligibility.

Full details of the terms and conditions of the Exchange Offers and the Consent Solicitations are described in the Exchange Offer Memorandum, the Exchange Offers and the Consent Solicitations are only being made pursuant to, and the information in this press release is qualified in its entirety by

reference to, the Exchange Offer Memorandum, which is being sent by Transocean Inc. to Eligible Holders of the Existing Notes. Eligible Holders of the Existing Notes are encouraged to read these documents, as they contain important information regarding the Exchange Offers and the Consent Solicitations. This press release is neither an offer to purchase nor a solicitation of an offer to buy any Existing Notes in the Exchange Offers.

Requests for the Exchange Offer Memorandum and other documents relating to the Exchange Offers and the Consent Solicitations may be directed to D.F. King & Co., Inc., the exchange agent and information agent for the Offers, at (212) 269-5550 (for banks and brokers only) or (800) 967-5051 (toll-free) (for all others) or transocean@dfking.com.

None of Transocean Ltd., Transocean Inc., any of their respective subsidiaries, their respective boards of directors or directors, the dealer manager and solicitation agent, the exchange agent and information agent or any trustee or any of Transocean Ltd.'s, Transocean Inc.'s or any of their subsidiaries' respective affiliates, or such respective affiliates, is making any recommendation as to whether Eligible Holders should tender any Existing Notes in response to the Exchange Offers or deliver any Consents pursuant to the Consent Solicitations and no one has been authorized by any of them to make such a recommendation.

The Exchange Offers and the Consent Solicitations are not being made to Eligible Holders of Existing Notes in any jurisdiction in which the making or acceptance thereof would not be in compliance with the securities, blue sky or other laws of such jurisdiction. In any jurisdiction in which the Exchange Offers and the Consent Solicitations are required to be made by a licensed broker or dealer, the Exchange Offers and the Consent Solicitations will be deemed to be made on behalf of Transocean Inc. by the dealer manager and solicitation agent, or one or more registered brokers or dealers that are licensed under the laws of such jurisdiction.

The New Senior Guaranteed Notes have not been and will not be registered under the Securities Act, or any state securities laws and may not be offered or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. The New Senior Guaranteed Notes may not be publicly offered, directly or indirectly, in Switzerland within the meaning of the Swiss Financial Services Act ("FinSA") (unless in circumstances falling within article 36 of the FinSA). This press release shall not constitute an offer to sell or a solicitation of an offer to buy the New Senior Guaranteed Notes in the United States, shall not constitute an offer, solicitation or sale of the New Senior Guaranteed Notes in any jurisdiction where such offering or sale would be unlawful and does not constitute a prospectus within the meaning of the FinSA or advertising within the meaning of the FinSA. There shall not be any sale of the New Senior Guaranteed Notes in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

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 offshore drilling business with a particular focus on ultra-deepwater and harsh environment drilling services. The company's mobile offshore drilling fleet is considered one of the most versatile fleets in the world.

Transocean owns or has partial ownership interests in and operates a fleet of 39 mobile offshore drilling units, including 27 ultra-deepwater floaters and 12 harsh environment floaters. In addition, Transocean is constructing two ultra-deepwater drillships.

Forward-Looking Statements

This press release contains certain forward-looking information and forward-looking statements as defined in applicable securities laws (collectively referred to as "forward-looking statements"). Forward-looking statements include statements regarding the terms and timing for completion of the Offers, including the acceptance for purchase of any New Senior Guaranteed Notes validly tendered, the expected Early Tender Time, Expiration Time and Settlement Date thereof, the potential increase to the Maximum New Notes Amount, and the satisfaction or waiver of certain conditions of the Offers.

Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of Transocean to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Factors that may cause actual results to vary include, but are not limited to, conditions in financial markets, investor response to Transocean Inc.'s Offers, and other risk factors as detailed from time to time in Transocean Ltd.'s reports filed with the U.S. Securities and Exchange Commission.

Readers are cautioned against unduly relying on forward-looking statements. Forward-looking statements speak only as of the date hereof, and, except as required by law, Transocean undertakes no obligation to update publicly or otherwise revise any forward-looking statements, whether as a result of new information or future events or otherwise.

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