



Transocean Ltd. Announces Early Results, Extension of Early Tender Time, Amendment to Exchange Offers and Termination of Consent Solicitations

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STEINHAUSEN, Switzerland, Aug. 24, 2020 (GLOBE NEWSWIRE) -- Transocean Ltd. (NYSE: RIG) announced today that Transocean Inc., its wholly-owned subsidiary (collectively with Transocean Ltd., "Transocean"), has amended its previously announced exchange offers (the "Exchange Offers") to exchange certain existing notes (the "Existing Notes") for up to an aggregate principal amount of \$750 million (subject to increase or decrease by Transocean Inc., the "Maximum New Notes Amount") of new notes (the "New 2027 Senior Guaranteed Notes") issued by Transocean Inc., and terminated the related solicitation of consents (the "Consent Solicitations" and, together with the Exchange Offers, the "Offers").

As of 5:00 p.m., New York City time, on August 21, 2020 (the "Original Early Tender Time"), \$1.13 billion in aggregate principal amount of Existing Notes had been validly tendered or committed to be tendered pursuant to support agreements described below. Based on the amended total consideration described below, and the amounts tendered or committed to be tendered to date, approximately \$518 million aggregate principal amount of New 2027 Senior Guaranteed Notes would be issued upon closing the Exchange Offers. Transocean intends to accept for exchange Existing Notes validly tendered prior to the Expiration Time, subject to the Maximum New Notes Amount and the Acceptance Priority Levels.

According to information received from D.F. King & Co., Inc., the exchange agent and information agent for the Offers, as of the Original Early Tender Time, \$780.4 million in aggregate principal amount of Existing Notes had been validly tendered in the Offers. In addition, in connection with the amendments to the Offers, certain Eligible Holders have entered into support agreements whereby they have committed to tender and exchange approximately \$350 million aggregate principal amount of Existing Notes (the "Committed Notes") to be issued in connection with the amended Offers. To the extent certain Committed Notes are not accepted for purchase in the Offers due to proration, Transocean has agreed to separately exchange such Committed Notes for up to an additional \$32 million principal amount of New 2027 Senior Guaranteed Notes on the same terms and conditions had such Committed Notes been accepted for purchase in the amended Offers.

The terms and conditions of the amended Offers are described in a supplement, dated August 24, 2020 (the "Supplement"), which supplements Transocean's Exchange Offer Memorandum and Consent Solicitation Statement, dated August 10, 2020 (as supplemented, the "Exchange Offer Memorandum"). The Supplement amends the Offers as follows:

(i) The Offers with respect to the 6.375% Senior Notes due 2021 (the "2021 Notes") and the 3.800% Senior Notes due 2022 (the "2022 Notes") are amended to provide that the consideration payable with respect to an exchange of each such series of Existing Notes shall be the 11.50% Senior Guaranteed Notes due 2027 instead of the previously contemplated 10.00% Senior Guaranteed Notes due 2025.

(ii) The Offers with respect to certain series of Existing Notes are amended as indicated in the table below to increase the consideration payable with respect to an exchange thereof, such that, subject to the terms and conditions of each such Offer, the total consideration for each \$1,000 principal amount of such series of Existing Notes validly tendered at or prior to the Expiration Time and accepted for exchange pursuant to such Offer will be as indicated in the table below (with respect to such series of Existing Notes, the "*Revised Consideration*").

Title of Existing Notes	CUSIP Number ⁽²⁾	Acceptance Priority Level ⁽³⁾	New 2027 Senior Guaranteed Notes	Total Consideration ⁽⁴⁾
6.375% Senior Notes due 2021 ⁽¹⁾	893830BB4	1	11.50% Senior Guaranteed Notes due 2027	\$825.00
3.800% Senior Notes due 2022 ⁽¹⁾	893830BC2	2	11.50% Senior Guaranteed Notes due 2027	\$730.00 ⁽⁵⁾
7.25% Senior Notes due 2025	893830BK4 / G90073AD2	3	11.50% Senior Guaranteed Notes due 2027	\$475.00 ⁽⁵⁾
7.50% Senior Notes due 2026	893830BF5 / G90073AB6	4	11.50% Senior Guaranteed Notes due 2027	\$465.00 ⁽⁵⁾
8.00% Senior Notes due 2027	893830BL2 / G90073AE0	5	11.50% Senior Guaranteed Notes due 2027	\$455.00 ⁽⁵⁾

8.00% Debentures due 2027	893817AB2	6	11.50% Senior Guaranteed Notes due 2027	\$375.00
7.45% Notes due 2027	893817AA4	7	11.50% Senior Guaranteed Notes due 2027	\$405.00 ⁽⁵⁾
7.00% Notes due 2028	379352AL1	8	11.50% Senior Guaranteed Notes due 2027	\$375.00
7.50% Notes due 2031	893830AF6	9	11.50% Senior Guaranteed Notes due 2027	\$395.00 ⁽⁵⁾
6.80% Senior Notes due 2038	893830AT6	10	11.50% Senior Guaranteed Notes due 2027	\$375.00
7.35% Senior Notes due 2041 ⁽¹⁾	893830AZ2	11	11.50% Senior Guaranteed Notes due 2027	\$395.00 ⁽⁵⁾

(1) The interest rate for the 2021 Notes, 2022 Notes and 2041 Notes has been increased to 8.375%, 5.800% and 9.35%, respectively, pursuant to the terms of the applicable indenture.

(2) No representation is made as to the correctness or accuracy of the CUSIP numbers listed in this Supplement or printed on the Existing Notes. They are provided solely for convenience.

(3) The Maximum New Notes Amount of New 2027 Senior Guaranteed Notes that may be issued to Eligible Holders pursuant to the Offers is \$750 million, not including up to an additional \$32 million principal amount of New 2027 Senior Guaranteed Notes that may be issued in a separate exchange for Committed Notes as described above. Transocean 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 will do so. Existing Notes accepted for exchange on the settlement date will be accepted in accordance with their Acceptance Priority Levels set forth herein (with "1" being the highest Acceptance Priority Level and "11" being the lowest Acceptance Priority Level). Transocean will only accept for exchange Existing Notes in the Offers up to an aggregate principal amount that will not result in the aggregate principal amount of New Senior Guaranteed Notes issued pursuant to the Offers to exceed the Maximum New Notes Amount.

(4) Consideration in the form of principal amount of New 2027 Senior Guaranteed Notes per \$1,000 principal amount of Existing Notes that are validly tendered and accepted for exchange, subject to any rounding as described herein. Excludes accrued and unpaid interest, which will be paid in cash in addition to the applicable total consideration.

(5) Total Consideration increased pursuant to the amended Offers.

(iii) The Original Early Tender Time with respect to each Offer has been extended to 11:59 p.m., New York City time, on September 4, 2020 (the "Revised Early Tender Time"). Eligible Holders who validly tender Existing Notes prior to the Revised Early Tender Time in accordance with the instructions provided in the Exchange Offer Memorandum will be eligible to receive the applicable total consideration, subject to the conditions set forth in the Exchange Offer Memorandum.

(iv) Each Consent Solicitation related to each series of Existing Notes has been terminated. In addition, the withdrawal deadline for each series of Existing Notes (other than the 2021 Notes and the 2022 Notes) occurred at 5:00 p.m., New York City time, on August 21, 2020. Accordingly, any Existing Notes (other than the 2021 Notes and 2022 Notes) validly tendered in an Offer may not be withdrawn other than as required by applicable law. With respect to the 2021 Notes and 2022 Notes, the withdrawal deadline shall occur at the Revised Early Tender Time.

(v) For the benefit of the Eligible Holders, the terms of the New 2027 Senior Guaranteed Notes have been amended to include more restrictive covenants including, (1) limiting the ability of Transocean Inc. and its subsidiaries to transfer drilling rigs and drillships to entities that are not the initial subsidiary guarantors of the New 2027 Senior Guaranteed Notes or a subsidiary thereof, (2) reducing the amount of indebtedness that can be incurred by the subsidiary guarantors of the New 2027 Senior Guaranteed Notes and (3) limiting the ability to secure structurally subordinated or pari passu debt of subsidiaries of Transocean Inc.

Each Offer 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 Offer, as it may be extended, the "Expiration Time"), unless earlier terminated.

Holders of Existing Notes who have previously tendered Existing Notes do not need to retender such Existing Notes or take any other action in response to the amendments and will be entitled to receive the applicable total consideration, subject to the conditions set forth in the Exchange Offer Memorandum.

Each Offer is a separate offer, 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. No Offer is conditioned upon any minimum principal amount of Existing Notes of any series being tendered nor the consummation of any other Offer. 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 Offer at any time.

The Offers are being made, and the New 2027 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 2027 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 2027 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 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 Offers are described in the Exchange Offer Memorandum, the Offers 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 Offers. 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 Offers 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 Offers and no one has been authorized by any of them to make such a recommendation.

The Offers 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 Offers are required to be made by a licensed broker or dealer, the Offers 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 2027 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 2027 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 2027 Senior Guaranteed Notes in the United States, shall not constitute an offer, solicitation or sale of the New 2027 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 2027 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 2027 Senior Guaranteed Notes validly tendered, the Revised 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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