



Transocean Ltd. and subsidiaries
Non-GAAP Financial Measures and Reconciliations
Adjusted Net Income (Loss) and Adjusted Diluted Earnings (Loss) Per Share
(In millions, except per share data)

	YTD 12/31/20	QTD 12/31/20	YTD 09/30/20	QTD 09/30/20	YTD 06/30/20	QTD 06/30/20	YTD 03/31/20
Adjusted Net Loss							
Net income (loss) attributable to controlling interest, as reported	\$ (567)	\$ (37)	\$ (530)	\$ 359	\$ (889)	\$ (497)	\$ (392)
Restructuring costs	5	(1)	6	5	1	1	-
Loss on impairment of assets	597	-	597	-	597	430	167
Loss on disposal of assets, net	61	-	61	61	-	-	-
Loss on impairment of investment in unconsolidated affiliates	62	3	59	-	59	59	-
(Gain) loss on restructuring and retirement of debt	(533)	(137)	(396)	(449)	53	(4)	57
Discrete tax items	(91)	(37)	(54)	(45)	(9)	10	(19)
Net loss, as adjusted	\$ (466)	\$ (209)	\$ (257)	\$ (69)	\$ (188)	\$ (1)	\$ (187)
Adjusted Diluted Loss Per Share:							
Diluted earnings (loss) per share, as reported	\$ (0.92)	\$ (0.06)	\$ (0.86)	\$ 0.51	\$ (1.45)	\$ (0.81)	\$ (0.64)
Restructuring costs	0.01	-	0.01	0.01	-	-	-
Loss on impairment of assets	0.97	-	0.97	-	0.97	0.70	0.28
Loss on disposal of assets, net	0.10	-	0.10	0.09	-	-	-
Loss on impairment of investment in unconsolidated affiliates	0.10	-	0.10	-	0.10	0.10	-
(Gain) loss on restructuring and retirement of debt	(0.87)	(0.22)	(0.65)	(0.65)	0.09	(0.01)	0.09
Discrete tax items	(0.15)	(0.06)	(0.09)	(0.07)	(0.02)	0.02	(0.03)
Diluted loss per share, as adjusted	\$ (0.76)	\$ (0.34)	\$ (0.42)	\$ (0.11)	\$ (0.31)	\$ -	\$ (0.30)
	YTD 12/31/19	QTD 12/31/19	YTD 09/30/19	QTD 09/30/19	YTD 06/30/19	QTD 06/30/19	YTD 03/31/19
Adjusted Net Loss							
Net loss attributable to controlling interest, as reported	\$ (1,255)	\$ (51)	\$ (1,204)	\$ (825)	\$ (379)	\$ (208)	\$ (171)
Restructuring costs	6	5	1	-	1	1	-
Gain on bargain purchase	(11)	-	(11)	-	(11)	(9)	(2)
Loss on impairment of assets	609	25	584	583	1	1	-
(Gain) loss on disposal of assets, net	5	(2)	7	6	1	2	(1)
Gain on terminated construction contracts	(132)	(132)	-	-	-	-	-
Loss on retirement of debt	41	2	39	12	27	9	18
Discrete tax items and other, net	(150)	(110)	(40)	(10)	(30)	(5)	(25)
Net loss, as adjusted	\$ (887)	\$ (263)	\$ (624)	\$ (234)	\$ (390)	\$ (209)	\$ (181)
Adjusted Diluted Loss Per Share:							
Diluted loss per share, as reported	\$ (2.05)	\$ (0.08)	\$ (1.97)	\$ (1.35)	\$ (0.62)	\$ (0.34)	\$ (0.28)
Restructuring costs	0.01	0.01	-	-	-	-	-
Gain on bargain purchase	(0.02)	-	(0.02)	-	(0.02)	(0.01)	-
Loss on impairment of assets	0.99	0.04	0.97	0.96	-	-	-
(Gain) loss on disposal of assets, net	0.01	-	0.01	0.01	-	-	-
Gain on terminated construction contracts	(0.22)	(0.22)	-	-	-	-	-
Loss on retirement of debt	0.07	-	0.06	0.02	0.05	0.01	0.03
Discrete tax items and other, net	(0.24)	(0.18)	(0.07)	(0.02)	(0.05)	-	(0.05)
Diluted loss per share, as adjusted	\$ (1.45)	\$ (0.43)	\$ (1.02)	\$ (0.38)	\$ (0.64)	\$ (0.34)	\$ (0.30)



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	YTD <u>12/30/18</u>	QTD <u>12/30/18</u>	YTD <u>09/30/18</u>	QTD <u>09/30/18</u>	YTD <u>06/30/18</u>	QTD <u>06/30/18</u>	YTD <u>03/31/18</u>
Adjusted Net Income (Loss)							
Net loss attributable to controlling interest, as reported	\$ (1,996)	\$ (242)	\$ (1,754)	\$ (409)	\$ (1,345)	\$ (1,135)	\$ (210)
Acquisition and restructuring costs	34	12	22	4	18	11	7
Gain on bargain purchase	(10)	(10)	-	-	-	-	-
Loss on impairment of goodwill and other assets	1,464	18	1,446	432	1,014	1,014	-
(Gain) loss on disposal of assets, net	(7)	(1)	(6)	1	(7)	(1)	(6)
Loss on retirement of debt	3	-	3	1	2	2	-
Discrete tax items and other, net	143	52	91	1	90	91	(1)
Net income (loss), as adjusted	<u>\$ (369)</u>	<u>\$ (171)</u>	<u>\$ (198)</u>	<u>\$ 30</u>	<u>\$ (228)</u>	<u>\$ (18)</u>	<u>\$ (210)</u>
Adjusted Diluted Earnings (Loss) Per Share:							
Diluted loss per share, as reported	\$ (4.27)	\$ (0.48)	\$ (3.86)	\$ (0.88)	\$ (2.99)	\$ (2.46)	\$ (0.48)
Acquisition and restructuring costs	0.07	0.02	0.05	0.01	0.05	0.03	0.02
Gain on bargain purchase	(0.02)	(0.02)	-	-	-	-	-
Loss on impairment of goodwill and other assets	3.13	0.03	3.18	0.93	2.26	2.19	-
(Gain) loss on disposal of assets, net	(0.01)	-	(0.02)	-	(0.02)	-	(0.02)
Loss on retirement of debt	0.01	-	0.01	-	-	-	-
Discrete tax items and other, net	0.30	0.11	0.20	-	0.20	0.20	-
Diluted earnings (loss) per share, as adjusted	<u>\$ (0.79)</u>	<u>\$ (0.34)</u>	<u>\$ (0.44)</u>	<u>\$ 0.06</u>	<u>\$ (0.50)</u>	<u>\$ (0.04)</u>	<u>\$ (0.48)</u>