

Transocean Ltd.

Bank of America Merrill Lynch 2012 Global Energy Conference

Miami, November 2012



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Transocean is the Industry Leader



- **World's largest offshore contract driller**
 - Largest fleet in all asset classes in which we operate
 - Operates in all markets worldwide
 - Significant relationships across the customer spectrum
- **Positioned to lead**
 - Premier position in ultra-deepwater market segment
 - Size and technical capabilities create reinvestment opportunities

Key Investment Highlights

- Industry leader committed to customers, employees, and shareholders
- Backlog provides long-term visibility
- Well positioned to capture global opportunities in an improving market

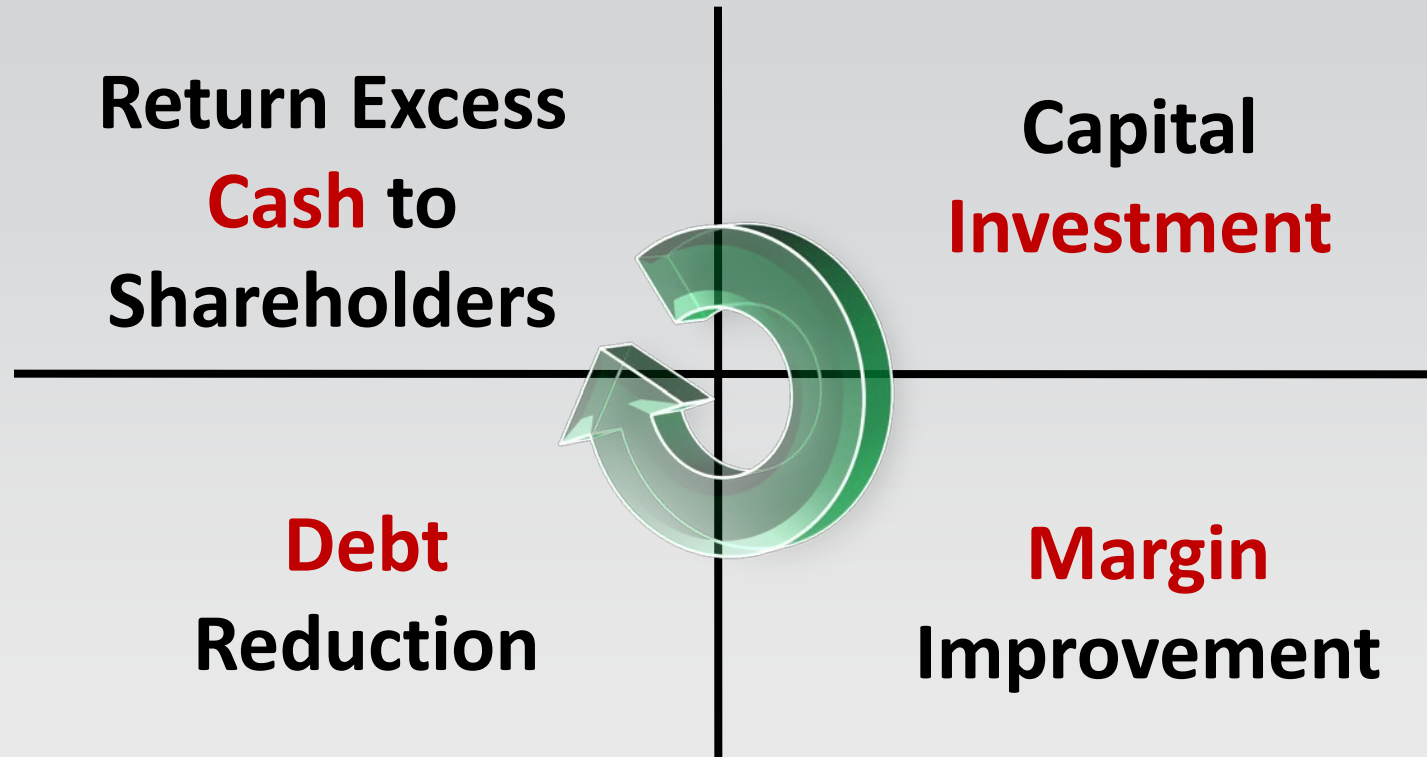
	Standard Jackups	High-Spec Jackups	Midwater	Deepwater	Ultra-Deepwater
Percent on Contract ⁽¹⁾	97%	100%	75%	81%	97%

- Well defined capital deployment strategy
 - Committed to maintaining strong balance sheet/financial flexibility
 - Reinvest in the business through value enhancing opportunities
 - Return excess cash to shareholders after strategic objectives and financial targets are comfortably met

Strategy to Lead in Offshore Resource Development



Commitment to Drive Shareholder Value



Strategic Objectives

- Continue to improve operational performance
- Maintain financial flexibility and strong balance sheet
 - 4Q'11 Debt & Equity offerings
 - Suspension of dividend
 - 3Q'12 Debt offering to pre-fund newbuilds (\$1.5B)
 - Balance sheet objectives
 - Targeted liquidity* levels: \$5B to \$6B
 - Targeted adjusted long-term debt level: \$7B to \$9B⁽⁷⁾
 - Strong investment grade rating
- Execute asset strategy
 - Improve fleet mix
 - Finalize the sale of the standard jackup unit
 - Continue with selected asset sales: \$0.5B to \$1.0B targeted in 2012
- Resolution of Macondo

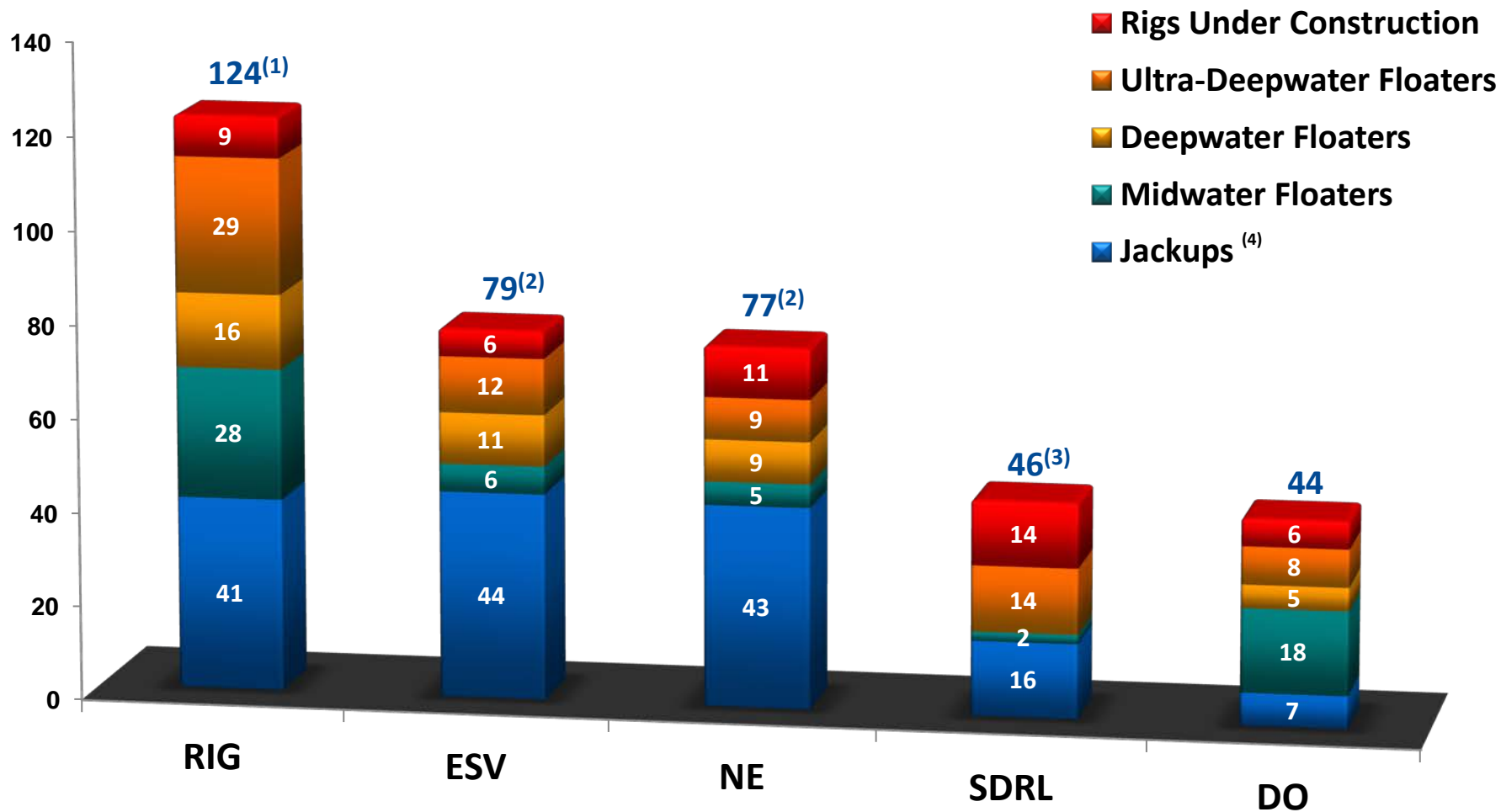
*Excluding Aker Drilling restricted cash

Operational Imperatives

We are focused on delivering superior operating performance:

- Revenue efficiency
 - Technical improvements
 - Improved contract terms
 - Historic levels believed achievable but progress will likely be gradual and non-linear
- Rig out-of-service time
 - Emphasis on planning, execution, collaboration with vendors
 - “Unit exchange” versus “inspect and repair” philosophy
- Operating and maintenance costs
 - Constant scrutiny of cost structure; leverage industry leadership position

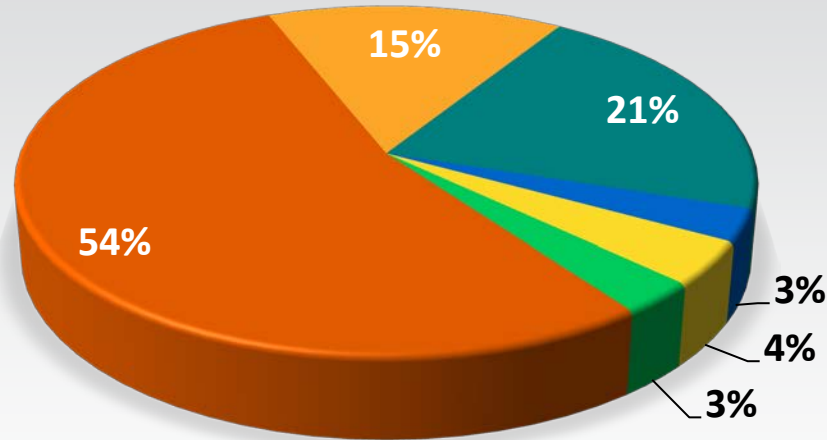
Largest Worldwide Rig Fleet



Diversified Revenue Source

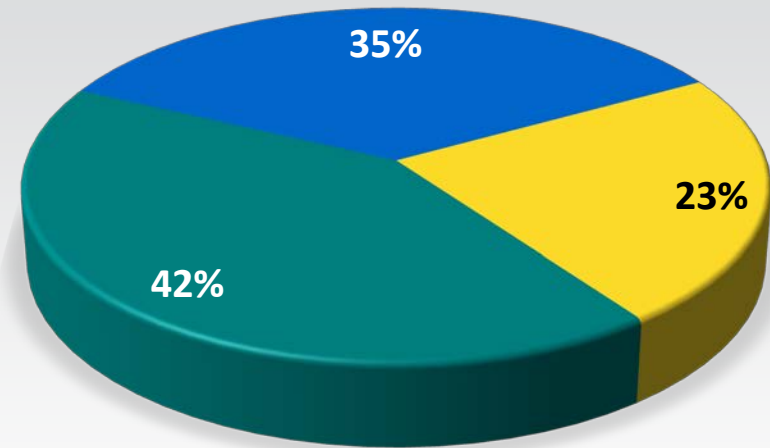
YTD September 2012 Revenues - \$6.9 billion

By Asset Class⁽⁴⁾



- Ultra-Deepwater
- Midwater
- ADTI
- Deepwater
- Jackups
- Other

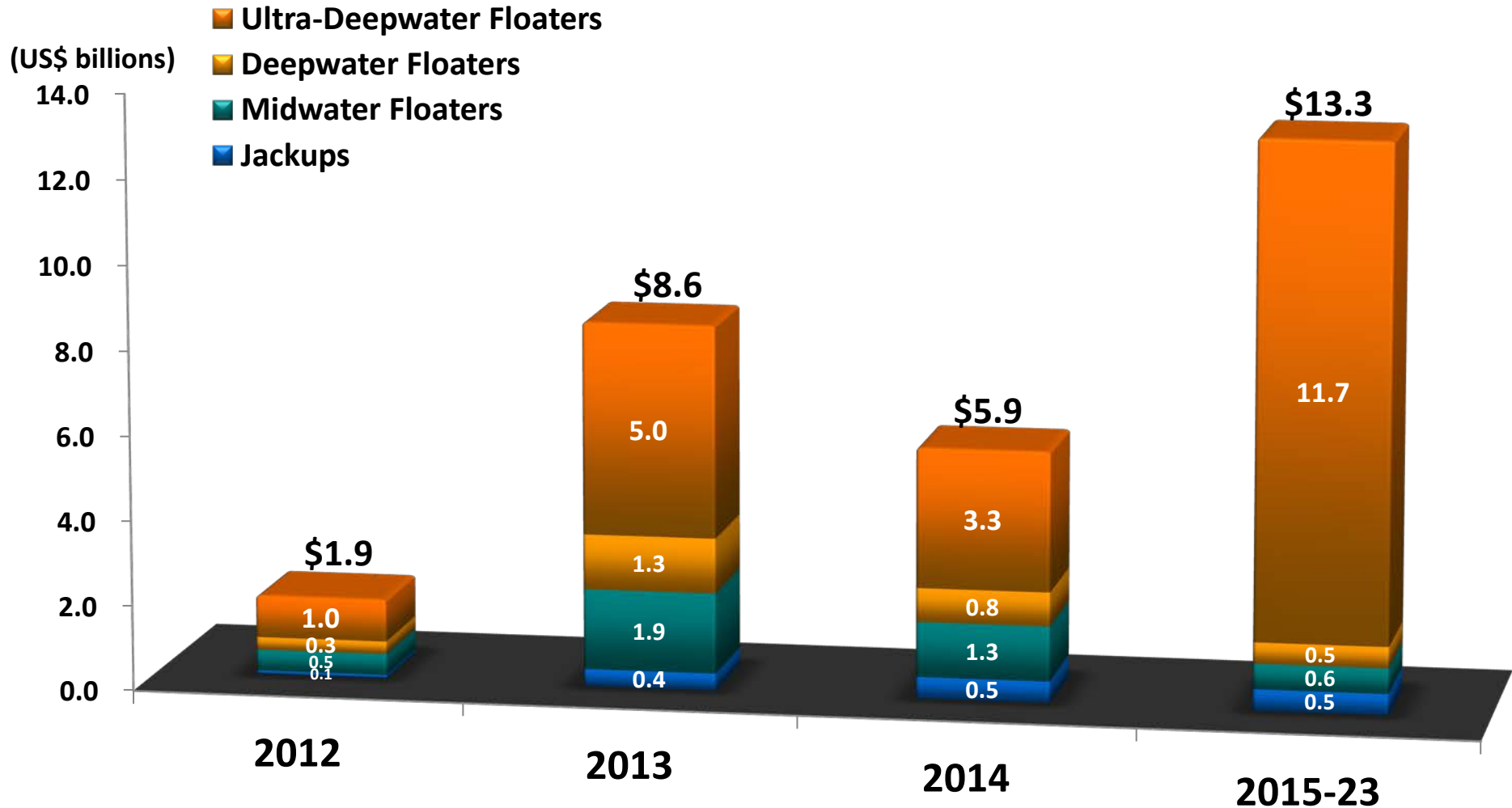
By Customer



- Integrated
- NOC
- Independent

Strong Backlog

Total Backlog From Continuing Operations - \$29.7 billion⁽⁵⁾



Fleet Management: Create Opportunities & Drive Returns

FUTURE

- Core, strategic asset portfolio
 1. Ultra-deepwater
 2. Harsh Environment
 3. High-spec Jackups
 4. High-quality floaters and jackups
- Acquire, build, divest and / or spin-off
 - Finalize the sale of the standard jackup unit
 - Continue to divest non-core rigs
- Maintain tax efficiency for future acquisitions & divestitures

2009 • Assessed and segmented fleet

1. Core
2. Solid performers
3. Non-core

Anticipated Sale of Standard Jackup Fleet

- **Signed definitive agreements to sell a 38 rig package for \$1.05 billion**
 - \$855 million cash; \$195 million in seller financing
 - Seller financing is with preference shares
 - Transactions expected to close in 4Q12
- **Buyer group has deep industry experience**
 - Transocean will provide support to facilitate a successful transition
- **Transaction represents a significant step forward in execution of asset strategy**
 - Significantly reduces the diversity of the fleet
 - Renewed emphasis on high specification assets – both floaters & jackups
 - Provides opportunities for efficiency improvement
 - Focus improves Transocean's long-term competitiveness



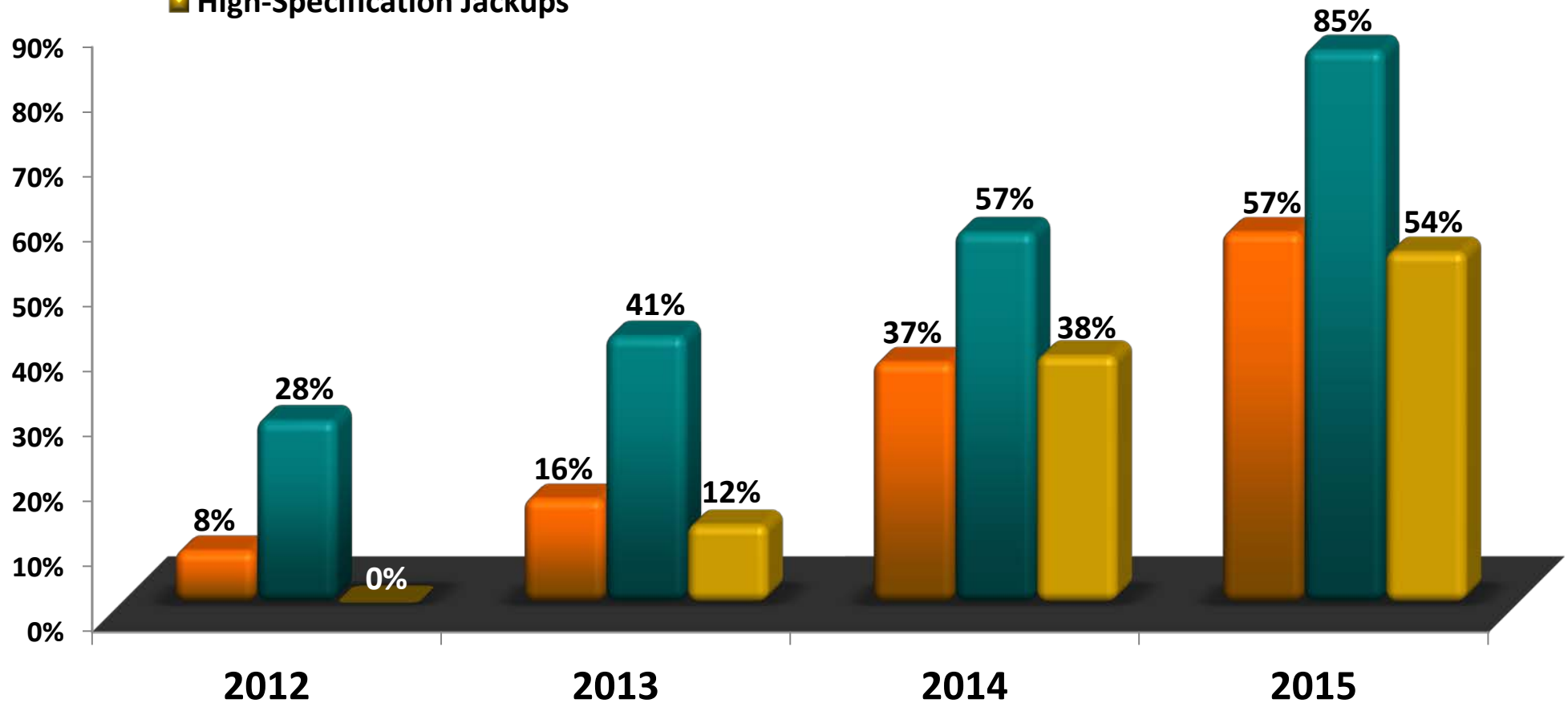
Fleet Expansion

- **Four dynamically-positioned ultra-deepwater drillships**
 - **10 year contracts (\$7.6B of backlog)**
 - **~\$3.0B investment with attractive terms**
- **Ships have advanced capabilities**
 - **Dual activity, industry - leading hoisting capacity**
 - **Second blow-out preventer system**
 - **12,000 ft water depth, 40,000 ft drilling depth**
 - **Outfitted to accommodate a future upgrade to a 20,000 psi BOP system when technology is available**

Considerable Leverage to Improving Dayrates

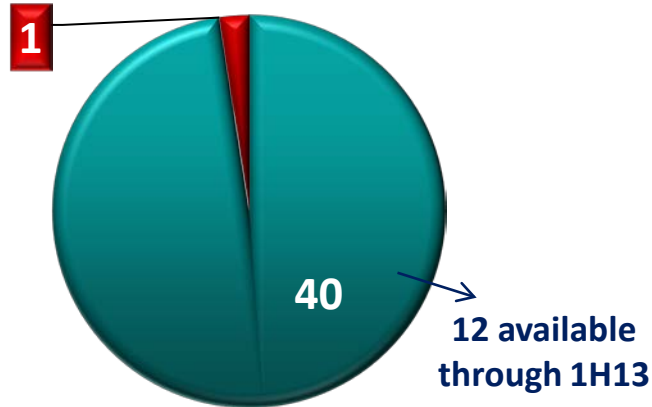
Fleet Availability ⁽⁸⁾

- High-Specification Floaters
- Midwater Floaters
- High-Specification Jackups



Jackup Demand Remains Strong

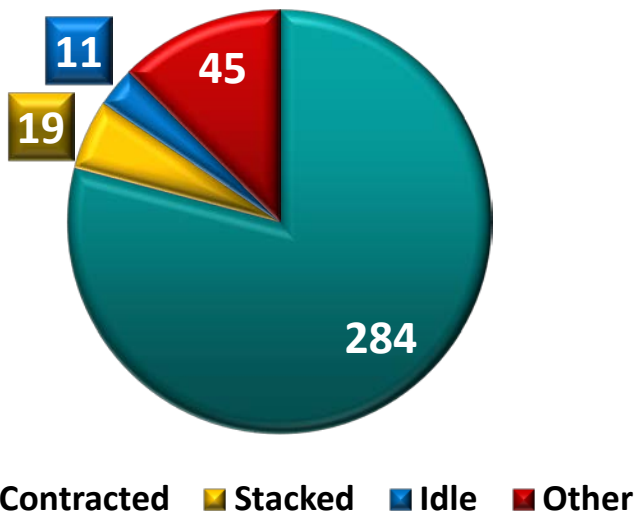
Transocean Fleet ⁽¹⁾ - 41



Key Market Drivers

- Demand and dayrates are increasing
- Continuing demand growth is:
 - Absorbing uncontracted newbuilds
 - Increasing dayrates for standard units
 - Potential to reactivate some idle jackups

Global Fleet ⁽⁶⁾ - 359



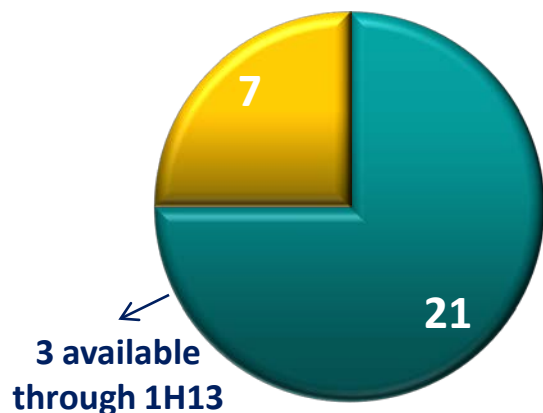
Current Market Overview

Jackup Type	Standard	High Spec
Utilization	Increasing	Increasing
Tendering Pace	Stable	Stable
Contract Term	Stable	Stable
Dayrates	Increasing/Stable	Increasing

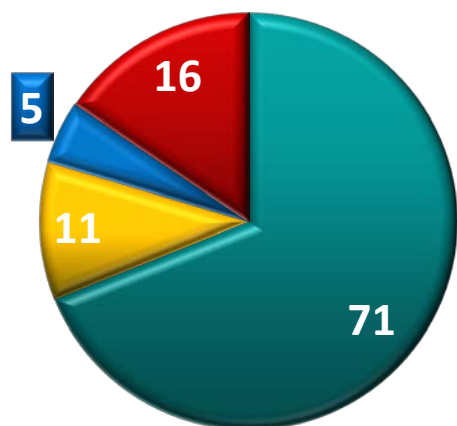
■ Contracted ■ Stacked ■ Idle ■ Other

Midwater Market Activity and Dayrates Improving

Transocean Fleet ⁽¹⁾ - 28



Global Fleet ⁽⁶⁾ - 103



■ Contracted ■ Stacked ■ Idle ■ Other

Key Market Drivers

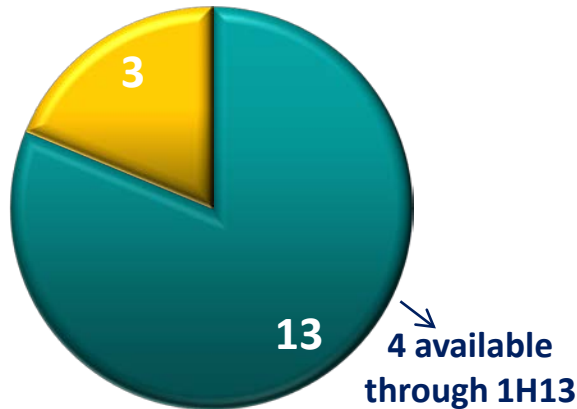
- No influx of newbuilds
- Demand continues to increase in UK and Norway
- Multiple opportunities for available units in 2013
- Trajectory of demand less certain in other markets

Current Market Overview

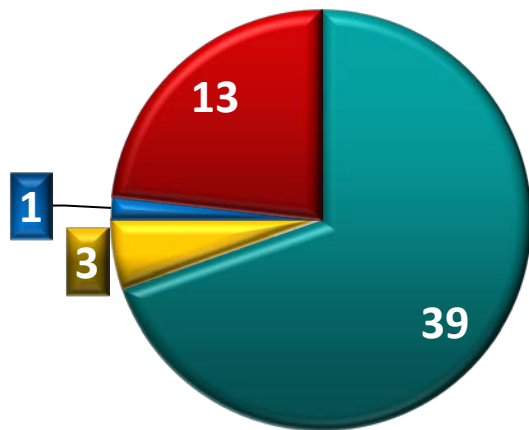
- Tendering activity increasing in UK, Norway & Eastern Canada
 - Contract durations increasing
 - Dayrates steady to improving
 - Opportunities to bring additional harsh environment capacity into the market
- Tendering pace slower for other markets

Deepwater Demand Continues to Improve

Transocean Fleet ⁽¹⁾ - 16



Global Fleet ⁽⁶⁾ - 56



■ Contracted ■ Stacked ■ Idle ■ Other

Key Market Drivers

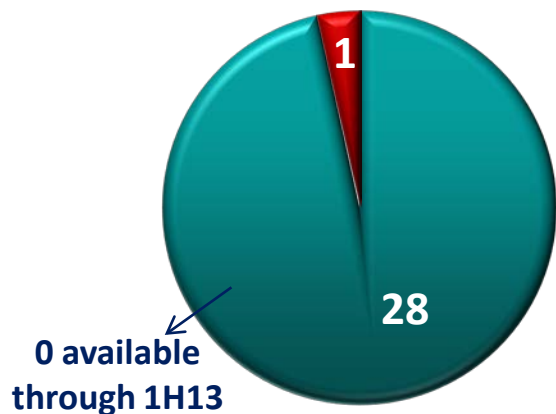
- Strong UDW utilization has positive impact on DW
- Demand continues to increase
- Strong demand in West Africa, Australia & Southeast Asia

Current Market Overview

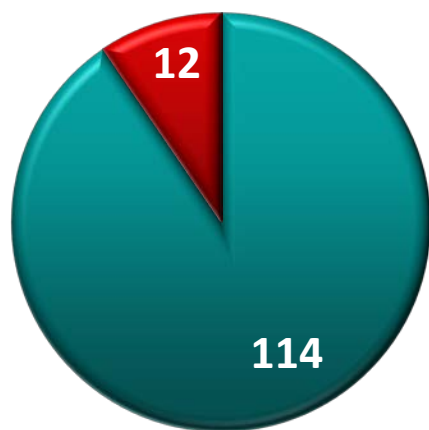
- Dayrates are increasing
- Moored units returning to work
- Utilization improving
- Potential to return a stacked unit to market

Ultra-Deepwater Market is Robust

Transocean Fleet ⁽¹⁾ - 29



Global Fleet ⁽⁶⁾ - 126



■ Contracted ■ Stacked ■ Idle ■ Other

Key Market Drivers

- 2013 availability is being absorbed
 - Demand and dayrates increasing for prompt delivery
 - Customers now looking for 2014 delivery
- Strong demand in USGOM, West Africa, East Africa & other emerging markets

Current Market Overview

- Market utilization almost 100%
- Tendering pace accelerating
- Exploration success opening up frontier opportunities
- Multiple fixtures now over \$600K

Long-Term Ultra-Deepwater Outlook is Positive



Litigation Update

Macondo

- **Current Timeline**
 - **November 8, 2012 – BP/PSC settlement hearing**
 - **February 25, 2013 – Trial (phase 1 begins)**
- **Discussions with DOJ continuing**

Brazil – Frade

- **Preliminary injunction served on Transocean 9/27**
- **Injunction partially suspended by Superior Court on 9/28**
 - **No restrictions on rig operations or interruption of revenue - all rigs remain on contract**
 - **Transocean prohibited from working in Frade field only**
- **Continue to vigorously pursue final and comprehensive resolution of underlying litigation**
 - **Case is very strong on merits**

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Footnotes

- (1) Per Fleet Status Report issued October 17, 2012. Floater classifications are by water depth as described in the Fleet Status Report. Harsh Environment Floaters are included in the appropriate water depth classification. “Jackups” include High-Specification Jackups and Standard Jackups. Rig count is 114, plus 9 newbuilds, and one swamp barge. Rigs Under Construction are inclusive of rigs to be accepted by the customer subsequent to October 17, 2012. “Idle” and “Stacked” rig classifications are as described in the Fleet Status Report.
- (2) Excludes submersible rigs.
- (3) Excludes tender rigs.
- (4) “Jackups” includes High-Specification Jackups and Standard Jackups.
- (5) Calculated by multiplying the contracted operating dayrate by the firm contract period for 2012 and future periods as of the Fleet Status Report issued October 17, 2012, for continuing operations only. Firm commitments are represented by signed drilling contracts or, in some cases, by other definitive agreements awaiting contract execution. Our contract backlog is calculated by multiplying the full contractual operating dayrate by the number of days remaining in the firm contract period, excluding revenues for mobilization, demobilization and contract preparation or other incentive provisions, which are not expected to be significant to our contract drilling revenues. The contractual operating dayrate may be higher than the actual dayrate we receive or we may receive other dayrates included in the contract, such as a waiting-on-weather rate, repair rate, standby rate or force majeure rate. The contractual operating dayrate may also be higher than the actual dayrate we receive because of a number of factors, including rig downtime or suspension of operations. In certain contracts, the dayrate may be reduced to zero if, for example, repairs extend beyond a stated period of time.
- (6) Data from ODS-Petrodata as of October 31, 2012. Analysis by Transocean. Includes competitive rigs which have completed construction on or before October 31, 2012. Jackups are defined as independent cantilever. “Other” includes, but is not limited to, rigs which are not under contract and are en route, in port, in shipyard, out of service, undergoing acceptance testing, or on standby.
- (7) Adjusted debt is equal to debt, net of restricted cash investments associated with the Eksportfinans loans.
- (8) The uncommitted fleet rate is the number of days as a percentage of the total number of available rig calendar days in the period. The rate is as of October 17, 2012.
- (9) This presentation is unaudited.