

**Transocean Ltd. and Subsidiaries**  
**Non-GAAP Financial Measures and Reconciliations**  
**Adjusted Net Income and Diluted Earnings Per Share**  
(in US\$ millions, except per share data)

	YTD 12/31/12	QTD 12/31/12	YTD 09/30/12	QTD 09/30/12	YTD 06/30/12	QTD 06/30/12	QTD 03/31/12
<b>Adjusted Net Income</b>							
Net income (loss) attributable to controlling interest, as reported	\$ (219)	\$ 456	\$ (675)	\$ (381)	\$ (294)	\$ (304)	\$ 10
Add back (subtract):							
Litigation matters	756	-	756	6	750	750	-
Loss on impairment of goodwill and other assets	135	-	135	-	135	-	135
Gain on disposal of assets, net	(48)	-	(48)	(48)	-	-	-
Gain on retirement of debt	(2)	-	(2)	(2)	-	-	-
Loss on redeemed noncontrolling interest	25	-	25	-	25	14	11
Loss on impairment of discontinued operations	961	2	959	881	78	12	66
(Gain) loss on sale of discontinued operations	(69)	(1)	(68)	2	(70)	(72)	2
(Gain) loss from discontinued operations	135	(26)	161	33	128	59	69
Discrete tax items and other, net	(255)	(101)	(154)	15	(169)	(141)	(28)
Net income, as adjusted	<u>\$ 1,419</u>	<u>\$ 330</u>	<u>\$ 1,089</u>	<u>\$ 506</u>	<u>\$ 583</u>	<u>\$ 318</u>	<u>\$ 265</u>
<b>Diluted Earnings Per Share:</b>							
Diluted earnings (loss) per share, as reported	\$ (0.62)	\$ 1.26	\$ (1.90)	\$ (1.06)	\$ (0.84)	\$ (0.86)	\$ 0.03
Add back (subtract):							
Litigation matters	2.11	-	2.12	0.02	2.12	2.11	-
Loss on impairment of goodwill and other assets	0.38	-	0.38	-	0.38	-	0.38
Gain on disposal of assets, net	(0.13)	-	(0.13)	(0.13)	-	-	-
Gain on retirement of debt	(0.01)	-	(0.01)	(0.01)	-	-	-
Loss on redeemed noncontrolling interest	0.07	-	0.07	-	0.07	0.04	0.03
Loss on impairment of discontinued operations	2.70	-	2.70	2.45	0.23	0.03	0.19
(Gain) loss on sale of discontinued operations	(0.19)	-	(0.19)	0.01	(0.20)	(0.20)	0.01
(Gain) loss from discontinued operations	0.38	(0.07)	0.45	0.09	0.36	0.17	0.19
Discrete tax items and other, net	(0.73)	(0.28)	(0.44)	0.03	(0.48)	(0.40)	(0.08)
Diluted earnings per share, as adjusted	<u>\$ 3.96</u>	<u>\$ 0.91</u>	<u>\$ 3.05</u>	<u>\$ 1.40</u>	<u>\$ 1.64</u>	<u>\$ 0.89</u>	<u>\$ 0.75</u>

	YTD 12/31/11	QTD 12/31/11	YTD 09/30/11	QTD 09/30/11	YTD 06/30/11	QTD 06/30/11	QTD 03/31/11
<b>Adjusted Net Income</b>							
Net income (loss) attributable to controlling interest, as reported	\$ (5,754)	\$ (6,165)	\$ 411	\$ (32)	\$ 443	\$ 124	\$ 319
Add back (subtract):							
Litigation matters	1,000	1,000	-	-	-	-	-
Acquisition costs	22	17	5	5	-	-	-
Loss on impairment of goodwill and other assets	5,201	5,201	-	-	-	-	-
Loss on marketable security	13	13	-	-	-	-	-
Loss on forward exchange contract	78	-	78	78	-	-	-
Loss on impairment of discontinued operations	34	4	30	5	25	25	-
(Gain) loss on sale of discontinued operations	(214)	(24)	(190)	(14)	(176)	2	(178)
Loss from discontinued operations	95	48	47	11	36	10	26
Discrete tax items and other, net	19	(8)	27	(6)	33	13	20
Net income, as adjusted	<u>\$ 494</u>	<u>\$ 86</u>	<u>\$ 408</u>	<u>\$ 47</u>	<u>\$ 361</u>	<u>\$ 174</u>	<u>\$ 187</u>
<b>Diluted Earnings Per Share:</b>							
Diluted earnings (loss) per share, as reported	\$ (17.88)	\$ (18.76)	\$ 1.28	\$ (0.10)	\$ 1.38	\$ 0.38	\$ 0.99
Add back (subtract):							
Litigation matters	3.10	3.04	-	-	-	-	-
Acquisition costs	0.07	0.05	0.02	0.02	-	-	-
Loss on impairment of goodwill and other assets	16.15	15.83	-	-	-	-	-
Loss on marketable security	0.04	0.04	-	-	-	-	-
Loss on forward exchange contract	0.24	-	0.26	0.25	-	-	-
Loss on impairment of discontinued operations	0.11	0.01	0.11	0.02	0.09	0.08	-
(Gain) loss on sale of discontinued operations	(0.66)	(0.07)	(0.62)	(0.04)	(0.56)	0.01	(0.56)
Loss from discontinued operations	0.29	0.15	0.16	0.03	0.11	0.03	0.08
Discrete tax items and other, net	0.06	(0.03)	0.06	(0.03)	0.10	0.04	0.07
Diluted earnings per share, as adjusted	<u>\$ 1.52</u>	<u>\$ 0.26</u>	<u>\$ 1.27</u>	<u>\$ 0.15</u>	<u>\$ 1.12</u>	<u>\$ 0.54</u>	<u>\$ 0.58</u>

Transocean Ltd. and Subsidiaries  
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	YTD 12/31/10	QTD 12/31/10	YTD 09/30/10	QTD 09/30/10	YTD 06/30/10	QTD 06/30/10	QTD 03/31/10
<b>Adjusted Net Income</b>							
Net income (loss) attributable to controlling interest, as reported	\$ 926	\$ (841)	\$ 1,767	\$ 375	\$ 1,392	\$ 715	\$ 677
Add back (subtract):							
Litigation matters	39	8	31	15	16	11	5
Loss on disposal of other assets, net	15	-	15	-	15	-	15
Gain on loss of drilling unit	(267)	-	(267)	-	(267)	(267)	-
(Gain) loss on retirement of debt	33	13	20	22	(2)	-	(2)
Loss on impairment of discontinued operations	1,022	1,009	13	-	13	-	13
Gain on sale of discontinued operations	(2)	-	(2)	-	(2)	-	(2)
Gain from discontinued operations	(126)	(8)	(118)	(11)	(107)	(40)	(67)
Discrete tax items and other, net	41	12	29	12	17	(3)	20
Net income, as adjusted	<u>\$ 1,681</u>	<u>\$ 193</u>	<u>\$ 1,488</u>	<u>\$ 413</u>	<u>\$ 1,075</u>	<u>\$ 416</u>	<u>\$ 659</u>
<b>Diluted Earnings Per Share:</b>							
Diluted earnings (loss) per share, as reported	\$ 2.88	\$ (2.63)	\$ 5.49	\$ 1.17	\$ 4.31	\$ 2.22	\$ 2.09
Add back (subtract):							
Litigation matters	0.12	0.02	0.10	0.05	0.05	0.03	0.02
Loss on disposal of other assets, net	0.05	-	0.05	-	0.05	-	0.05
Gain on loss of drilling unit	(0.83)	-	(0.83)	-	(0.83)	(0.83)	-
(Gain) loss on retirement of debt	0.10	0.04	0.06	0.07	(0.01)	-	(0.01)
Loss on impairment of discontinued operations	3.18	3.15	0.05	-	0.04	-	0.05
Gain on sale of discontinued operations	(0.01)	-	(0.01)	-	(0.01)	-	-
Gain from discontinued operations	(0.39)	(0.02)	(0.37)	(0.03)	(0.33)	(0.13)	(0.22)
Discrete tax items and other, net	0.12	0.04	0.08	0.03	0.06	-	0.09
Diluted earnings per share, as adjusted	<u>\$ 5.22</u>	<u>\$ 0.60</u>	<u>\$ 4.62</u>	<u>\$ 1.29</u>	<u>\$ 3.33</u>	<u>\$ 1.29</u>	<u>\$ 2.07</u>