

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

	YTD 09/30/13		QTD 09/30/13		YTD 06/30/13		QTD 06/30/13		QTD 03/31/13					
Adjusted Net Income														
Net income attributable to controlling interest, as reported Add back (subtract):	\$	1,174	\$	546	\$	628	\$	307	\$	321				
Litigation matters		67		19		48		-		48				
One-time termination benefits		22		15		7		7		-				
Loss on impairment of assets		37		-		37		37		-				
Gain on disposal of assets, net		(22)		(22)		-		-		-				
Loss on retirement of debt		2		-		2		1		1				
Loss on financial instruments		19		-		19		19		-				
Gain on disposal of assets in discontinued operations		(49)		(31)		(18)		(3)		(15)				
Loss from discontinued operations		55		27		28		13		15				
Discrete tax items and other, net		(77)		(55)		(22)		11		(33)				
Net income, as adjusted	\$	1,228	\$	499	\$	729	\$	392	\$	337				
Adjusted Diluted Earnings Per Share:														
Diluted earnings per share, as reported	\$	3.23	\$	1.50	\$	1.73	\$	0.84	\$	0.88				
Add back (subtract):		0.10		0.05		0.10				0.15				
Litigation matters		0.19		0.05		0.13		-		0.15				
One-time termination benefits		0.06		0.04		0.02		0.02		-				
Loss on impairment of assets		0.10		- (0.04)		0.10		0.10		-				
Gain on disposal of assets, net Loss on retirement of debt		(0.06) 0.01		(0.06)		0.01		_						
Loss on financial instruments		0.01				0.01		0.05		-				
		(0.14)		(0.09)		(0.05)		(0.01)		(0.05)				
Gain on disposal of assets in discontinued operations Loss from discontinued operations		0.14)		0.07		0.03)		0.01)		0.05				
Discrete tax items and other, net		(0.21)				(0.06)		0.04		(0.10)				
Distrete tax items and other, her  Diluted earnings per share, as adjusted	\$	3.38	\$	(0.14) 1.37	\$	2.01	\$	1.08	\$	0.93				
	,	VTD	,	חדה		VTD	,	OTD	,	VTD		OTD	,	חדה
Adjusted Net Income		YTD /31/12		QTD /31/12		YTD /30/12		QTD /30/12		YTD /30/12		QTD 5/30/12		QTD /31/12
Adjusted Net Income  Net income (loss) attributable to controlling interest, as reported														
•	12	/31/12	12	/31/12	09	/30/12	09	/30/12	06	/30/12	06	/30/12	03/	/31/12
Net income (loss) attributable to controlling interest, as reported	12	/31/12	12	/31/12	09	/30/12	09	/30/12	06	/30/12	06	/30/12	03/	/31/12
Net income (loss) attributable to controlling interest, as reported Add back (subtract):	12	/31/12 (219)	12	/31/12	09	(675)	09	(381)	06	/30/12 (294)	06	(304)	03/	/31/12
Net income (loss) attributable to controlling interest, as reported  Add back (subtract):  Litigation matters	12	/31/12 (219) 756	12	/31/12	09	(675) 756	09	(381)	06	/30/12 (294) 750	06	(304)	03/	/31/12 10
Net income (loss) attributable to controlling interest, as reported  Add back (subtract):  Litigation matters  Loss on impairment of goodwill and other assets	12	/31/12 (219) 756 135	12	/31/12	09	(675) 756 135	09	(381)	06	/30/12 (294) 750	06	(304)	03/	/31/12 10
Net income (loss) attributable to controlling interest, as reported Add back (subtract):     Litigation matters     Loss on impairment of goodwill and other assets Gain on disposal of assets, net	12	/31/12 (219) 756 135 (48)	12	/31/12	09	/30/12 (675) 756 135 (48)	09	(381) 6 - (48)	06	/30/12 (294) 750	06	(304)	03/	/31/12 10
Net income (loss) attributable to controlling interest, as reported Add back (subtract): Litigation matters Loss on impairment of goodwill and other assets Gain on disposal of assets, net Gain on retirement of debt	12	/31/12 (219) 756 135 (48) (2) 25 961	12	456 - - - - - - 2	09	/30/12 (675) 756 135 (48) (2) 25 959	09	(381) (381) 6 - (48) (2) - 881	06	/30/12 (294) 750 135 - - 25 78	06	750 - - - - 14 12	03/	/31/12 10 - 135 -
Net income (loss) attributable to controlling interest, as reported Add back (subtract): Litigation matters Loss on impairment of goodwill and other assets Gain on disposal of assets, net Gain on retirement of debt Loss on redeemed noncontrolling interest Loss on impairment of assets in discontinued operations (Gain) loss on disposal of assets in discontinued operations	12	756 135 (48) (2) 25 961 (69)	12	456 2 (1)	09	756 135 (48) (2) 25 959 (68)	09	(381)  6  - (48) (2)  - 881 2	06	730/12 (294) 750 135 - - 25 78 (70)	06	750 - - - 14 12 (72)	03/	10 - 135 - 11 66 2
Net income (loss) attributable to controlling interest, as reported Add back (subtract): Litigation matters Loss on impairment of goodwill and other assets Gain on disposal of assets, net Gain on retirement of debt Loss on redeemed noncontrolling interest Loss on impairment of assets in discontinued operations	12	756 135 (48) (2) 25 961 (69) 135	12	456  (1) (26)	09	/30/12 (675) 756 135 (48) (2) 25 959	09	(381) (381) 6 - (48) (2) - 881	06	750 135 - 25 78 (70) 128	06	750 - - - - 14 12	03/	10 - 135 - 11 66 2 69
Net income (loss) attributable to controlling interest, as reported Add back (subtract): Litigation matters Loss on impairment of goodwill and other assets Gain on disposal of assets, net Gain on retirement of debt Loss on redeemed noncontrolling interest Loss on impairment of assets in discontinued operations (Gain) loss on disposal of assets in discontinued operations (Gain) loss from discontinued operations Discrete tax items and other, net	12	756 135 (48) (2) 25 961 (69) 135 (255)	\$	456  2 (1) (26) (101)	\$	756 135 (48) (2) 25 959 (68) 161 (154)	\$	(381)  (381)  6  - (48) (2)  - 881 2 33 15	\$	750 135 - 25 78 (70) 128 (169)	\$	(304)  750  -  -  14  12  (72)  59  (141)	\$	10 - 135 - 11 66 2 69 (28)
Net income (loss) attributable to controlling interest, as reported Add back (subtract): Litigation matters Loss on impairment of goodwill and other assets Gain on disposal of assets, net Gain on retirement of debt Loss on redeemed noncontrolling interest Loss on impairment of assets in discontinued operations (Gain) loss on disposal of assets in discontinued operations (Gain) loss from discontinued operations	12	756 135 (48) (2) 25 961 (69) 135	12	456  (1) (26)	09	756 135 (48) (2) 25 959 (68) 161	09	(381)  6 - (48) (2) - 881 2 33	06	750 135 - 25 78 (70) 128	06	750	03/	10 - 135 - 11 66 2 69
Net income (loss) attributable to controlling interest, as reported Add back (subtract): Litigation matters Loss on impairment of goodwill and other assets Gain on disposal of assets, net Gain on retirement of debt Loss on redeemed noncontrolling interest Loss on impairment of assets in discontinued operations (Gain) loss on disposal of assets in discontinued operations (Gain) loss from discontinued operations Discrete tax items and other, net Net income, as adjusted  Adjusted Diluted Earnings Per Share:	\$	756 135 (48) (2) 25 961 (69) 135 (255) 1,419	\$	456  2 (1) (26) (101) 330	\$	756 135 (48) (2) 25 959 (68) 161 (154) 1,089	\$	(381)  6 - (48) (2) - 881 2 33 15 506	\$	750 135 - 25 78 (70) 128 (169) 583	\$	(304)  750  -  -  14  12  (72)  59  (141)  318	\$	10
Net income (loss) attributable to controlling interest, as reported Add back (subtract): Litigation matters Loss on impairment of goodwill and other assets Gain on disposal of assets, net Gain on retirement of debt Loss on redeemed noncontrolling interest Loss on impairment of assets in discontinued operations (Gain) loss on disposal of assets in discontinued operations (Gain) loss from discontinued operations Discrete tax items and other, net Net income, as adjusted  Adjusted Diluted Earnings Per Share: Diluted earnings (loss) per share, as reported	12	756 135 (48) (2) 25 961 (69) 135 (255)	\$	456  2 (1) (26) (101)	\$	756 135 (48) (2) 25 959 (68) 161 (154)	\$	(381)  (381)  6  - (48) (2)  - 881 2 33 15	\$	750 135 - 25 78 (70) 128 (169)	\$	(304)  750  -  -  14  12  (72)  59  (141)	\$	10 - 135 - 11 66 2 69 (28)
Net income (loss) attributable to controlling interest, as reported Add back (subtract): Litigation matters Loss on impairment of goodwill and other assets Gain on disposal of assets, net Gain on retirement of debt Loss on redeemed noncontrolling interest Loss on impairment of assets in discontinued operations (Gain) loss on disposal of assets in discontinued operations (Gain) loss from discontinued operations Discrete tax items and other, net Net income, as adjusted  Adjusted Diluted Earnings Per Share: Diluted earnings (loss) per share, as reported Add back (subtract):	\$	(219)  756 135 (48) (2) 25 961 (69) 135 (255) 1,419	\$	456  2 (1) (26) (101) 330	\$	756 135 (48) (2) 25 959 (68) 161 (154) 1,089	\$	(381)  6 - (48) (2) - 881 2 33 15 506	\$	750 135 - 25 78 (70) 128 (169) 583	\$	(304)  750  -  14  12  (72)  59  (141)  318	\$	10
Net income (loss) attributable to controlling interest, as reported Add back (subtract): Litigation matters Loss on impairment of goodwill and other assets Gain on disposal of assets, net Gain on retirement of debt Loss on redeemed noncontrolling interest Loss on impairment of assets in discontinued operations (Gain) loss on disposal of assets in discontinued operations (Gain) loss from discontinued operations Discrete tax items and other, net Net income, as adjusted  Adjusted Diluted Earnings Per Share: Diluted earnings (loss) per share, as reported Add back (subtract): Litigation matters	\$	(219)  756 135 (48) (2) 25 961 (69) 135 (255) 1,419  (0.62)	\$	456  2 (1) (26) (101) 330	\$	756 135 (48) (2) 25 959 (68) 161 (154) 1,089	\$	(381)  6 - (48) (2) - 881 2 33 15 506	\$	750 135 - 25 78 (70) 128 (169) 583	\$	(304)  750  -  -  14  12  (72)  59  (141)  318	\$	10
Net income (loss) attributable to controlling interest, as reported Add back (subtract): Litigation matters Loss on impairment of goodwill and other assets Gain on disposal of assets, net Gain on retirement of debt Loss on redeemed noncontrolling interest Loss on impairment of assets in discontinued operations (Gain) loss on disposal of assets in discontinued operations (Gain) loss from discontinued operations Discrete tax items and other, net Net income, as adjusted  Adjusted Diluted Earnings Per Share: Diluted earnings (loss) per share, as reported Add back (subtract): Litigation matters Loss on impairment of goodwill and other assets	\$	(219)  756 135 (48) (2) 25 961 (69) 135 (255) 1,419  (0.62) 2.11 0.38	\$	456  2 (1) (26) (101) 330	\$	756 135 (48) (2) 25 959 (68) 161 (154) 1,089 (1.90) 2.12 0.38	\$	(381)  6 - (48) (2) - 881 2 33 15 506  (1.06)	\$	750 135 - 25 78 (70) 128 (169) 583	\$	(304)  750  -  14  12  (72)  59  (141)  318	\$	10 - 135 - 11 66 2 69 (28) 265
Net income (loss) attributable to controlling interest, as reported Add back (subtract): Litigation matters Loss on impairment of goodwill and other assets Gain on disposal of assets, net Gain on retirement of debt Loss on redeemed noncontrolling interest Loss on impairment of assets in discontinued operations (Gain) loss on disposal of assets in discontinued operations (Gain) loss from discontinued operations Discrete tax items and other, net Net income, as adjusted  Adjusted Diluted Earnings Per Share: Diluted earnings (loss) per share, as reported Add back (subtract): Litigation matters Loss on impairment of goodwill and other assets Gain on disposal of assets, net	\$	(219)  756 135 (48) (2) 25 961 (69) 135 (255) 1,419  (0.62)  2.11 0.38 (0.13)	\$	456  2 (1) (26) (101) 330	\$	756 135 (48) (2) 25 959 (68) 161 (154) 1,089  (1.90) 2.12 0.38 (0.13)	\$	(381)  6 - (48) (2) - 881 2 33 15 506  (1.06) 0.02 - (0.13)	\$	750 135 - 25 78 (70) 128 (169) 583 (0.84) 2.12 0.38	\$	(304)  750  -  14  12  (72)  59  (141)  318  (0.86)  2.11  -  -	\$	10  - 135 - 11 66 2 69 (28) 265  0.03 - 0.38
Net income (loss) attributable to controlling interest, as reported Add back (subtract): Litigation matters Loss on impairment of goodwill and other assets Gain on disposal of assets, net Gain on retirement of debt Loss on redeemed noncontrolling interest Loss on impairment of assets in discontinued operations (Gain) loss on disposal of assets in discontinued operations (Gain) loss from discontinued operations Discrete tax items and other, net Net income, as adjusted  Adjusted Diluted Earnings Per Share: Diluted earnings (loss) per share, as reported Add back (subtract): Litigation matters Loss on impairment of goodwill and other assets Gain on disposal of assets, net Gain on retirement of debt	\$	756 135 (48) (2) 25 961 (69) 135 (255) 1,419  (0.62) 2.11 0.38 (0.13) (0.01)	\$	456  2 (1) (26) (101) 330	\$	756 135 (48) (2) 25 959 (68) 161 (154) 1,089  (1.90) 2.12 0.38 (0.13) (0.01)	\$	(381)  6 - (48) (2) - 881 2 33 15 506  (1.06)	\$	750 135 - 25 78 (70) 128 (169) 583 (0.84) 2.12 0.38 -	\$	(304)  750  14 12 (72) 59 (141) 318  (0.86)  2.11	\$	10
Net income (loss) attributable to controlling interest, as reported Add back (subtract): Litigation matters Loss on impairment of goodwill and other assets Gain on disposal of assets, net Gain on retirement of debt Loss on redeemed noncontrolling interest Loss on impairment of assets in discontinued operations (Gain) loss on disposal of assets in discontinued operations (Gain) loss from discontinued operations Discrete tax items and other, net Net income, as adjusted  Adjusted Diluted Earnings Per Share: Diluted earnings (loss) per share, as reported Add back (subtract): Litigation matters Loss on impairment of goodwill and other assets Gain on disposal of assets, net Gain on retirement of debt Loss on redeemed noncontrolling interest	\$	(219)  756 135 (48) (2) 25 961 (69) 135 (255) 1,419  (0.62)  2.11 0.38 (0.13) (0.01) 0.07	\$	456  2 (1) (26) (101) 330	\$	756 135 (48) (2) 25 959 (68) 161 (154) 1,089  (1.90) 2.12 0.38 (0.13) (0.01) 0.07	\$	(381)  (381)  (48) (2)  -  881 2 33 15 506  (1.06)  0.02 - (0.13) (0.01) -	\$	750 135 - 25 78 (70) 128 (169) 583 (0.84) 2.12 0.38 - - 0.07	\$	(304)  750  14 12 (72) 59 (141) 318  (0.86)  2.11 0.04	\$	10  - 135 11 66 2 69 (28) 265  0.03 - 0.38 - 0.03
Net income (loss) attributable to controlling interest, as reported Add back (subtract): Litigation matters Loss on impairment of goodwill and other assets Gain on disposal of assets, net Gain on retirement of debt Loss on redeemed noncontrolling interest Loss on impairment of assets in discontinued operations (Gain) loss on disposal of assets in discontinued operations (Gain) loss from discontinued operations Discrete tax items and other, net Net income, as adjusted  Adjusted Diluted Earnings Per Share: Diluted earnings (loss) per share, as reported Add back (subtract): Litigation matters Loss on impairment of goodwill and other assets Gain on disposal of assets, net Gain on retirement of debt Loss on redeemed noncontrolling interest Loss on impairment of assets in discontinued operations	\$	(219)  756 135 (48) (2) 25 961 (69) 135 (255) 1,419  (0.62)  2.11 0.38 (0.13) (0.01) 0.07 2.70	\$	456  2 (1) (26) (101) 330  1.26	\$	756 135 (48) (2) 25 959 (68) 161 (154) 1,089  (1.90) 2.12 0.38 (0.13) (0.01) 0.07 2.70	\$	(381)  (381)  (48) (2)  -  881 2 33 15 506  (1.06)  0.02 - (0.13) (0.01) - 2.45	\$	750 135 - 25 78 (70) 128 (169) 583 (0.84) 2.12 0.38 - - 0.07 0.23	\$	(304)  750  14 12 (72) 59 (141) 318  (0.86)  2.11 0.04 0.03	\$	10
Net income (loss) attributable to controlling interest, as reported Add back (subtract): Litigation matters Loss on impairment of goodwill and other assets Gain on disposal of assets, net Gain on retirement of debt Loss on redeemed noncontrolling interest Loss on impairment of assets in discontinued operations (Gain) loss on disposal of assets in discontinued operations (Gain) loss from discontinued operations Discrete tax items and other, net Net income, as adjusted  Adjusted Diluted Earnings Per Share: Diluted earnings (loss) per share, as reported Add back (subtract): Litigation matters Loss on impairment of goodwill and other assets Gain on disposal of assets, net Gain on retirement of debt Loss on redeemed noncontrolling interest Loss on impairment of assets in discontinued operations (Gain) loss on disposal of assets in discontinued operations	\$	(219)  756 135 (48) (2) 25 961 (69) 135 (255) 1,419  (0.62)  2.11 0.38 (0.13) (0.01) 0.07 2.70 (0.19)	\$	456  2 (1) (26) (101) 330  1.26	\$	756 135 (48) (2) 25 959 (68) 161 (154) 1,089  (1.90) 2.12 0.38 (0.13) (0.01) 0.07 2.70 (0.19)	\$	(381)  (381)  (48) (2)  -  881 2 33 15 506  (1.06)  0.02 - (0.13) (0.01) - 2.45 0.01	\$	750 135 - 25 78 (70) 128 (169) 583 (0.84) 2.12 0.38 - - 0.07 0.23 (0.20)	\$	(304) 750 14 12 (72) 59 (141) 318  (0.86) 2.11 0.04 0.03 (0.20)	\$	10
Net income (loss) attributable to controlling interest, as reported Add back (subtract): Litigation matters Loss on impairment of goodwill and other assets Gain on disposal of assets, net Gain on retirement of debt Loss on redeemed noncontrolling interest Loss on impairment of assets in discontinued operations (Gain) loss on disposal of assets in discontinued operations (Gain) loss from discontinued operations Discrete tax items and other, net Net income, as adjusted  Adjusted Diluted Earnings Per Share: Diluted earnings (loss) per share, as reported Add back (subtract): Litigation matters Loss on impairment of goodwill and other assets Gain on disposal of assets, net Gain on retirement of debt Loss on redeemed noncontrolling interest Loss on impairment of assets in discontinued operations (Gain) loss on disposal of assets in discontinued operations (Gain) loss from discontinued operations	\$	(219)  756 135 (48) (2) 25 961 (69) 135 (255) 1,419  (0.62)  2.11 0.38 (0.13) (0.01) 0.07 2.70 (0.19) 0.38	\$	456  2 (1) (26) (101) 330  1.26  (0.07)	\$	756 135 (48) (2) 25 959 (68) 161 (154) 1,089  (1.90) 2.12 0.38 (0.13) (0.01) 0.07 2.70 (0.19) 0.45	\$	(381)  (381)  (48) (2)  -  881 2 33 15 506  (1.06)  0.02 - (0.13) (0.01) - 2.45 0.01 0.09	\$	750 135 - 25 78 (70) 128 (169) 583 (0.84) 2.12 0.38 - 0.07 0.23 (0.20) 0.36	\$	(304)  750  14 12 (72) 59 (141) 318  (0.86)  2.11 0.04 0.03 (0.20) 0.17	\$	10
Net income (loss) attributable to controlling interest, as reported Add back (subtract): Litigation matters Loss on impairment of goodwill and other assets Gain on disposal of assets, net Gain on retirement of debt Loss on redeemed noncontrolling interest Loss on impairment of assets in discontinued operations (Gain) loss on disposal of assets in discontinued operations (Gain) loss from discontinued operations Discrete tax items and other, net Net income, as adjusted  Adjusted Diluted Earnings Per Share: Diluted earnings (loss) per share, as reported Add back (subtract): Litigation matters Loss on impairment of goodwill and other assets Gain on disposal of assets, net Gain on retirement of debt Loss on redeemed noncontrolling interest Loss on impairment of assets in discontinued operations (Gain) loss on disposal of assets in discontinued operations	\$	(219)  756 135 (48) (2) 25 961 (69) 135 (255) 1,419  (0.62)  2.11 0.38 (0.13) (0.01) 0.07 2.70 (0.19)	\$	456  2 (1) (26) (101) 330  1.26	\$	756 135 (48) (2) 25 959 (68) 161 (154) 1,089  (1.90) 2.12 0.38 (0.13) (0.01) 0.07 2.70 (0.19)	\$	(381)  (381)  (48) (2)  -  881 2 33 15 506  (1.06)  0.02 - (0.13) (0.01) - 2.45 0.01	\$	750 135 - 25 78 (70) 128 (169) 583 (0.84) 2.12 0.38 - - 0.07 0.23 (0.20)	\$	(304) 750 14 12 (72) 59 (141) 318  (0.86) 2.11 0.04 0.03 (0.20)	\$	10



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

	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	
Adjusted Net Income														
Net income (loss) attributable to controlling interest, as reported Add back (subtract):	\$	(5,754)	\$	(6,165)	\$	411	\$	(32)	\$	443	\$	124	\$	319
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 assets in discontinued operations		34		4		30		5		25		25		-
(Gain) loss on disposal of assets in 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	\$	494	\$	86	\$	408	\$	47	\$	361	\$	174	\$	187
Adjusted Diluted Earnings Per Share:														
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 assets in discontinued operations		0.11		0.01		0.11		0.02		0.09		0.08		-
(Gain) loss on disposal of assets in 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		80.0
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	\$	1.52	\$	0.26	\$	1.27	\$	0.15	\$	1.12	\$	0.54	\$	0.58