UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): August 5, 2009 (August 5, 2009)

TRANSOCEAN LTD.
(Exact name of registrant as specified in its charter)

Switzerland	000-53533	98-0599916
(State or other jurisdiction of incorporation or organization)	(Commission File Number)	(I.R.S. Employer Identification No.)

Blandonnet International Business Center **Building F, 7th Floor** **Chemin de Blandonnet 2** **Vernier, Switzerland**	**CH-1214**
(Address of principal executive offices)	(zip code)

Registrant’s telephone number, including area code: +41 (22) 930-9000

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02. Results of Operations and Financial Condition.

Our news release dated August 5, 2009, concerning second quarter 2009 financial results, furnished as Exhibit 99.1 to this report, is incorporated by reference herein. The press release contains certain measures (discussed below) which may be deemed "non-GAAP financial measures" as defined in Item 10 of Regulation S-K of the Securities Exchange Act of 1934, as amended.

In the press release, we discuss field operating income for the three months ended June 30, 2009, March 31, 2009 and June 30, 2008; and for the six months ended June 30, 2009 and June 30, 2008. Management believes field operating income is a useful measure of operating results since the measure only deducts expenses directly related to operations from revenues. The most directly comparable GAAP financial measure, operating income before general and administrative expenses, and information reconciling the GAAP and non-GAAP measures are included in the press release.

Item 7.01. Regulation FD Disclosure.

Slide Presentation

On August 5, 2009, we are posting the slide presentation furnished as Exhibit 99.2 to this report on our website at www.deepwater.com. Exhibit 99.2 is incorporated in this Item 7.01 by reference.

Statements contained within the slide presentation that are not historical facts are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements include but are not limited to projections relating to out-of-service forecasts, operating and maintenance costs trends, contract backlog, and other statements that are not historical facts. Such statements are subject to numerous risks, uncertainties and assumptions, including but not limited to, uncertainties relating to the level of activity in offshore oil and gas exploration and development, exploration success by producers, oil and gas prices, rig demand and capacity, drilling industry market conditions, possible delays or cancellation of drilling contracts, work stoppages, operational or other downtime, the Company's ability to enter into and the terms of future contracts, the availability of qualified personnel, labor relations, future financial results, operating hazards, political and other uncertainties inherent in non-U.S. operations (including exchange and currency fluctuations), war, terrorism, natural disaster and cancellation or unavailability of insurance coverage, the impact of governmental laws and regulations, the adequacy of sources of liquidity, the effect of litigation and contingencies and other factors discussed in the Company's Form 10-K for the year ended December 31, 2008, and in the Company's other filings with the Securities and Exchange Commission ("SEC"), which are available free of charge on the SEC's website at www.sec.gov. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those indicated. We caution investors not to place undue reliance on forward-looking statements. Each forward-looking statement speaks only as of the date of the particular statement, and we undertake no obligation to publicly update or revise any forward-looking statements, except as required by law.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

The exhibits to this report furnished pursuant to items 2.02, and 7.01 are as follows:

Exhibit No.	Description
99.1	Transocean Ltd. Release Reporting Second Quarter 2009 Financial Results
99.2	Slide Presentation

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

TRANSOCEAN LTD.

Date: August 5, 2009

By /s/ Margaret C. Fitzgerald

Margaret C. Fitzgerald
Associate General Counsel

Index to Exhibits

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99.1	Transocean Ltd. Release Reporting Second Quarter 2009 Financial Results
99.2	Slide Presentation

Exhibit 99.1

Transocean Ltd.
Investor Relations and
Communications Dept.

Analyst Contact: Gregory S. Panagos
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+1 713-232-7647

News Release
FOR RELEASE: August 5, 2009

TRANSOCEAN LTD. REPORTS
SECOND QUARTER 2009 FINANCIAL RESULTS

ZUG, SWITZERLAND—Transocean Ltd. (NYSE: RIG) today reported net income attributable to controlling interest for the three months ended June 30, 2009 of $806 million, or $2.49 per diluted share, compared to net income attributable to controlling interest of $1.065 billion, or $3.31 per diluted share for the three months ended June 30, 2008. Revenues for the second quarter of 2009 were $2.882 billion compared to $3.102 billion for the second quarter of 2008.

Second quarter 2009 results were adversely impacted by certain net charges, after tax, totaling $96 million, or $0.30 per diluted share, as follows:

- $67 million of write-downs to fair market value for the *GSF Arctic II* and *GSF Arctic IV* semisubmersible rigs held for sale, as well as an impairment of an intangible asset related to drilling management services, and
- A $29 million net loss primarily related to discrete tax items, the retirement of debt, the sale of an interest in a joint venture and expenses associated with the merger of Transocean and GlobalSantaFe.

Operations Quarterly Review

Revenues for the three months ended June 30, 2009 decreased 7.6 percent to $2.882 billion compared to revenues of $3.118 billion during the three months ended March 31, 2009. Of the $236 million quarter-to-quarter decrease, $209 million primarily reflected a decline in rig utilization across all rig categories, primarily related to the stacking of jackup and midwater units, a planned increase in shipyard activity and downtime resulting from unplanned operational events. Non-cash contract drilling intangible revenues also declined $29 million, compared to the first quarter 2009.

Operating and maintenance expenses for the three months ended June 30, 2009 were $1.277 billion compared to $1.171 billion for the prior three-month period, an increase of $106 million or 9.1 percent. The quarter-to-quarter increase in operating and maintenance costs consisted of $87 million related to an increase in shipyard and maintenance costs and increased costs related to newbuild rigs about to commence operations, partially offset by reduced operating costs due to stacked rigs.

General and administrative expenses decreased 5.4 percent to $53 million for the second quarter of 2009 compared to $56 million for the first quarter 2009. The decrease primarily reflects a $4 million decline in expenses related to the merger with GlobalSantaFe.

Interest Expense and Liquidity

Interest expense, net of amounts capitalized, for the second quarter of 2009 totaled $114 million compared to $136 million for the first quarter of 2009. The decrease in interest expense primarily related to lower average outstanding debt balances during the quarter compared to the first quarter 2009.

As of June 30, 2009, total debt was $12.053 billion, compared to total debt of $12.964 billion as of March 31, 2009, a decrease of $911 million.

Cash flow from operating activities totaled $1.576 billion for the second quarter of 2009 compared to $1.441 billion for the first quarter of 2009.

Effective Tax Rate

Transocean's reported Effective Tax Rate[1] of 18.5 percent for the second quarter of 2009 reflects various discrete tax items of $16 million which primarily resulted from changes in estimates, as well as the impact of the write-down of rigs to fair market value, as described above. Excluding these items, the Annual Effective Tax Rate[2] for the second quarter of 2009 was 15.7 percent versus 15.2 percent in the first quarter of 2009.

Conference Call Information

Transocean will conduct a teleconference call at 10:00 a.m. Eastern time, 4:00 p.m. Swiss time, today. To participate, dial +1 (913) 981-4904 and refer to confirmation code 9249616 approximately five to 10 minutes prior to the scheduled start time of the call.

In addition, the conference call will be simultaneously broadcast in a listen-only mode over the Internet and can be accessed by logging onto the company's Web address at *www.deepwater.com* and selecting "Investor Relations." It may also be accessed at *www.CompanyBoardroom.com* by typing in Transocean's New York Stock Exchange trading symbol, "RIG." A file containing five charts to be discussed during the conference call, titled "2Q09 Charts," has been posted to Transocean's Web site and can be found by selecting "Investor Relations."

A telephonic replay of the conference call should be available after 1:00 p.m. ET, 7:00 p.m. Swiss time, on August 5, 2009 and can be accessed by dialing +1 (719) 457-0820 and referring to the passcode 9249616. Also, a replay will be available through the Internet and can be accessed by visiting either of the above-referenced Worldwide Web addresses. Both replay options will be available for approximately 30 days.

Transocean is the world's largest offshore drilling contractor and the leading provider of drilling management services worldwide. With a fleet of 133 mobile offshore drilling units plus 10 announced ultra-deepwater newbuild units, Transocean's fleet is considered one of the most modern and versatile in the world due to its emphasis on technically demanding segments of the offshore drilling business. Transocean owns or operates a contract drilling fleet of 39 High-Specification Floaters (Ultra-Deepwater, Deepwater and Harsh-Environment semisubmersibles and drillships), 26 Midwater Floaters, 10 High-Specification Jackups, 55 Standard Jackups and other assets utilized in the support of offshore drilling activities worldwide.

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(1) Effective Tax Rate is defined as income tax expense divided by income before income taxes. See the accompanying schedule entitled "Supplemental Effective Tax Rate Analysis."

(2) Annual Effective Tax Rate is defined as income tax expense excluding various discrete items (such as changes in estimates and tax on items excluded from income before income taxes) divided by income before income taxes excluding gains on sales and similar items pursuant to Financial Accounting Standards Board Interpretation No. 18. See the accompanying schedule entitled "Supplemental Effective Tax Rate Analysis."

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TRANSOCEAN LTD. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In millions, except per share data)
(Unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2009	2008 (As adjusted)	2009	2008 (As adjusted)
Operating revenues				
Contract drilling revenues	$ 2,625	$ 2,596	$ 5,459	$ 5,227
Contract drilling intangible revenues	75	190	179	414
Other revenues	182	316	362	571
	2,882	3,102	6,000	6,212
Costs and expenses				
Operating and maintenance	1,277	1,364	2,448	2,521
Depreciation, depletion and amortization	360	337	715	704
General and administrative	53	45	109	94
	1,690	1,746	3,272	3,319
Impairment loss	(67)	—	(288)	—
Loss from disposal of assets, net	(4)	(6)	—	(3)
Operating income	1,121	1,350	2,440	2,890
Other income (expense), net				
Interest income	1	10	2	23
Interest expense, net of amounts capitalized	(114)	(153)	(250)	(330)
Loss on retirement of debt	(8)	(1)	(10)	(3)
Other, net	(8)	(2)	—	(8)
	(129)	(146)	(258)	(318)
Income before income tax expense	992	1,204	2,182	2,572
Income tax expense	184	140	435	358
Net income	808	1,064	1,747	2,214
Net income (loss) attributable to noncontrolling interest	2	(1)	(1)	—
Net income attributable to controlling interest	$ 806	$ 1,065	$ 1,748	$ 2,214
Earnings per share				
Basic	$ 2.50	$ 3.34	$ 5.43	$ 6.95
Diluted	$ 2.49	$ 3.31	$ 5.42	$ 6.89
Weighted average shares outstanding				
Basic	320	318	320	318
Diluted	321	321	321	321

TRANSOCEAN LTD. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(In millions, except share data)
(Unaudited)

	June 30, 2009	December 31, 2008 (As adjusted)
ASSETS		
Cash and cash equivalents	$ 907	$ 963
Short-term investments	174	333
Accounts receivable, net of allowance for doubtful accounts of $52 and $114 at June 30, 2009 and December 31, 2008, respectively	2,674	2,864
Materials and supplies, net of allowance for obsolescence of $57 and $49 at June 30, 2009 and December 31, 2008, respectively	451	432
Deferred income taxes, net	46	63
Assets held for sale	186	464
Other current assets	192	230
Total current assets	4,630	5,349
Property and equipment	27,275	25,836
Less accumulated depreciation	5,624	4,975
Property and equipment, net	21,651	20,861
Goodwill	8,134	8,128
Other assets	842	844
Total assets	$35,257	$ 35,182
LIABILITIES AND EQUITY		
Accounts payable	$ 829	$ 914
Accrued income taxes	235	317
Debt due within one year	1,163	664
Other current liabilities	732	806
Total current liabilities	2,959	2,701
Long-term debt	10,890	12,893
Deferred income taxes, net	699	666
Other long-term liabilities	1,714	1,755
Total long-term liabilities	13,303	15,314
Commitments and contingencies		
Shares, CHF 15.00 par value, 502,852,947 authorized, 167,617,649 contingently authorized, 335,235,298 issued and 320,953,074 outstanding at June 30, 2009 and 502,852,947 authorized, 167,617,649 contingently authorized, 335,235,298 issued and 319,262,113 outstanding at December 31, 2008	4,468	4,444
Additional paid-in capital	7,388	7,313
Retained earnings	7,575	5,827
Accumulated other comprehensive loss	(449)	(420)
Total controlling interest shareholders’ equity	18,982	17,164
Noncontrolling interest	13	3
Total equity	18,995	17,167
Total liabilities and equity	$35,257	$ 35,182

TRANSOCEAN LTD. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)
(Unaudited)

	Three months ended June 30, 2009	Three months ended June 30, 2008 (As adjusted)	Six months ended June 30, 2009	Six months ended June 30, 2008 (As adjusted)
Cash flows from operating activities				
Net income	$ 808	$ 1,064	$ 1,747	$ 2,214
Adjustments to reconcile net income to net cash provided by operating activities				
Amortization of drilling contract intangibles	(75)	(190)	(179)	(414)
Depreciation, depletion and amortization	360	337	715	704
Share-based compensation expense	24	11	43	33
Excess tax benefit from share-based compensation plans	—	(8)	(1)	(11)
Loss from disposal of assets, net	4	6	—	3
Impairment loss	67	—	288	—
Loss on retirement of debt	8	1	10	3
Amortization of debt issue costs, discounts and premiums, net	57	44	109	85
Deferred revenue, net	49	7	43	25
Deferred expenses, net	(37)	(145)	(35)	(129)
Deferred income taxes	20	(31)	26	(56)
Other, net	14	(7)	23	(8)
Changes in operating assets and liabilities	277	(78)	228	44
Net cash provided by operating activities	1,576	1,011	3,017	2,493
Cash flows from investing activities				
Capital expenditures	(947)	(420)	(1,655)	(1,189)
Proceeds from disposal of assets, net	—	93	8	347
Proceeds from short-term investments	172	—	393	—
Purchases of short-term investments	(234)	—	(234)	—
Joint ventures and other investments, net	—	—	—	(3)
Net cash used in investing activities	(1,009)	(327)	(1,488)	(845)
Cash flows from financing activities				
Change in short-term borrowings, net	(476)	(351)	(500)	(355)
Proceeds from debt	231	75	319	2,051
Repayments of debt	(708)	(1,040)	(1,410)	(3,673)
Payments for warrant exercises, net	(13)	—	(13)	(4)
Proceeds from share-based compensation plans, net	5	34	22	61
Excess tax benefit from share-based compensation plans	—	8	1	11
Other, net	(1)	(1)	(4)	(4)
Net cash used in financing activities	(962)	(1,275)	(1,585)	(1,913)
Net decrease in cash and cash equivalents	(395)	(591)	(56)	(265)
Cash and cash equivalents at beginning of period	1,302	1,567	963	1,241
Cash and cash equivalents at end of period	$ 907	$ 976	$ 907	$ 976

TRANSOCEAN LTD.
FLEET OPERATING STATISTICS

	Operating Revenues ($ Millions) (1)				
	Three months ended			Six months ended June 30,	
	June 30, 2009	March 31, 2009	June 30, 2008	2009	2008
Contract Drilling Revenues					
High-Specification Floaters:					
Ultra Deepwater Floaters	$ 673	$ 702	$ 558	$ 1,375	$ 1,166
Deepwater Floaters	406	413	377	819	702
Harsh Environment Floaters	159	158	168	317	318
Total High-Specification Floaters	1,238	1,273	1,103	2,511	2,186
Midwater Floaters	644	708	650	1,352	1,325
High-Specification Jackups	128	151	148	278	304
Standard Jackups	608	689	674	1,298	1,385
Other Rigs	7	13	21	20	27
Subtotal	2,625	2,834	2,596	5,459	5,227
Contract Intangible Revenue	75	104	190	179	414
Other Revenues					
Client Reimbursable Revenues	48	50	50	98	98
Integrated Services and Other	52	53	35	105	78
Drilling Management Services	74	70	214	145	353
Oil and Gas Properties	8	7	17	14	42
Subtotal	182	180	316	362	571
Total Company	$ 2,882	$ 3,118	$ 3,102	$ 6,000	$ 6,212

	Average Dayrates (1)				
	Three months ended			Six months ended June 30,	
	June 30, 2009	March 31, 2009	June 30, 2008	2009	2008
High-Specification Floaters:					
Ultra Deepwater Floaters	$450,500	$451,000	$390,400	$450,800	$385,300
Deepwater Floaters	$339,600	$336,900	$317,400	$338,200	$301,100
Harsh Environment Floaters	$374,500	$351,100	$379,400	$362,500	$361,900
Total High-Specification Floaters	$397,600	$393,800	$360,500	$395,700	$350,500
Midwater Floaters	$302,700	$314,700	$299,300	$308,900	$295,700
High-Specification Jackups	$161,400	$169,500	$178,000	$165,700	$175,800
Standard Jackups	$149,200	$156,400	$149,400	$152,900	$147,700
Other Rigs	$ 48,300	$ 46,700	$ 77,400	$ 47,300	$ 49,100
Total Drilling Fleet	$255,900	$256,500	$239,300	$256,200	$233,700

	Utilization (1)				
	Three months ended			Six months ended June 30,	
	June 30, 2009	March 31, 2009	June 30, 2008	2009	2008
High-Specification Floaters:					
Ultra Deepwater Floaters	91%	96%	87%	94%	92%
Deepwater Floaters	82%	85%	81%	84%	80%
Harsh Environment Floaters	93%	100%	98%	96%	97%
Total High-Specification Floaters	88%	92%	86%	90%	88%
Midwater Floaters	84%	89%	82%	86%	85%
High-Specification Jackups	87%	99%	91%	93%	95%
Standard Jackups	82%	89%	89%	85%	91%
Other Rigs	59%	99%	100%	80%	100%
Total Drilling Fleet	84%	91%	87%	87%	89%

(1) Average daily revenue is defined as contract drilling revenue earned per revenue earning day in the period. A revenue earning day is defined as a day for which a rig earns dayrate after commencement of operations. Utilization is defined as the total actual number of revenue earning days in the period as a percentage of the total number of calendar days in the period for all drilling rigs in our fleet.

Transocean Ltd. and Subsidiaries
Non-GAAP Financial Measures and Reconciliations

Operating Income Before General and Administrative Expense
to Field Operating Income
(In millions)

	Three months ended			Six months ended	
	June 30, 2009	March 31, 2009	June 30, 2008	June 30, 2009	June 30, 2008
Operating revenue	$2,882	$ 3,118	$3,102	$6,000	$6,212
Operating and maintenance expense	1,277	1,171	1,364	2,448	2,521
Depreciation, depletion and amortization	360	355	337	715	704
Impairment Loss	67	221	—	288	—
(Gain) loss from disposal of assets, net	4	(4)	6	—	3
Operating income before general and administrative expense	1,174	1,375	1,395	2,549	2,984
Add back (subtract):					
Depreciation, depletion and amortization	360	355	337	715	704
Impairment Loss	67	221	—	288	—
(Gain) loss from disposal of assets, net	4	(4)	6	—	3
Field operating income	$1,605	$ 1,947	$1,738	$3,552	$3,691

Transocean Ltd. and Subsidiaries
Supplemental Effective Tax Rate Analysis
(In millions)

	Three months ended			Six months ended	
	June 30, 2009	Mar. 31, 2009	June 30, 2008 (As Adjusted)	June 30, 2009	June 30, 2008 (As Adjusted)
Income before income taxes and minority interest	$ 992	$1,190	$ 1,204	$2,182	$ 2,572
Add back (subtract):					
Impairment loss	67	221	—	288	—
Loss on sale of CDC interest	4	—	—	4	—
Gain on sale of Sedco 135D rig & inventory	(1)	—	—	(1)	—
GSF Merger related costs	2	6	3	8	4
Loss on retirement of debt	8	2	1	10	3
Adjusted income before income taxes	**1,072**	**1,419**	**1,208**	**2,491**	**2,579**
Income tax expense	184	251	140	435	358
Add back (subtract):					
GSF Merger related costs	—	1	—	1	—
Changes in estimates (1)	(16)	(36)	2	(52)	(25)
Adjusted income tax expense (2)	**$ 168**	**$ 216**	**$ 142**	**$ 384**	**$ 333**
Effective Tax Rate (3)	**18.5%**	**21.1%**	**11.6%**	**19.9%**	**13.9%**
Annual Effective Tax Rate (4)	**15.7%**	**15.2%**	**11.8%**	**15.4%**	**12.9%**

(1) Our estimates change as we file tax returns, settle disputes with tax authorities or become aware of other events and include changes in deferred taxes valuation allowances on deferred taxes and other tax liabilities.

(2) The three months ended June 30, 2009 include $3 million of additional tax expense (benefit) reflecting the catch-up effect of an increase (decrease) in the annual effective tax rate from the previous quarter estimate.

(3) Effective Tax Rate is income tax expense divided by income before income taxes.

(4) Annual Effective Tax Rate is income tax expense excluding various discrete items (such as changes in estimates and tax on items excluded from income before income taxes) divided by income before income taxes excluding gains on sales and similar items pursuant to Financial Accounting Standards Board Interpretation No. 18.

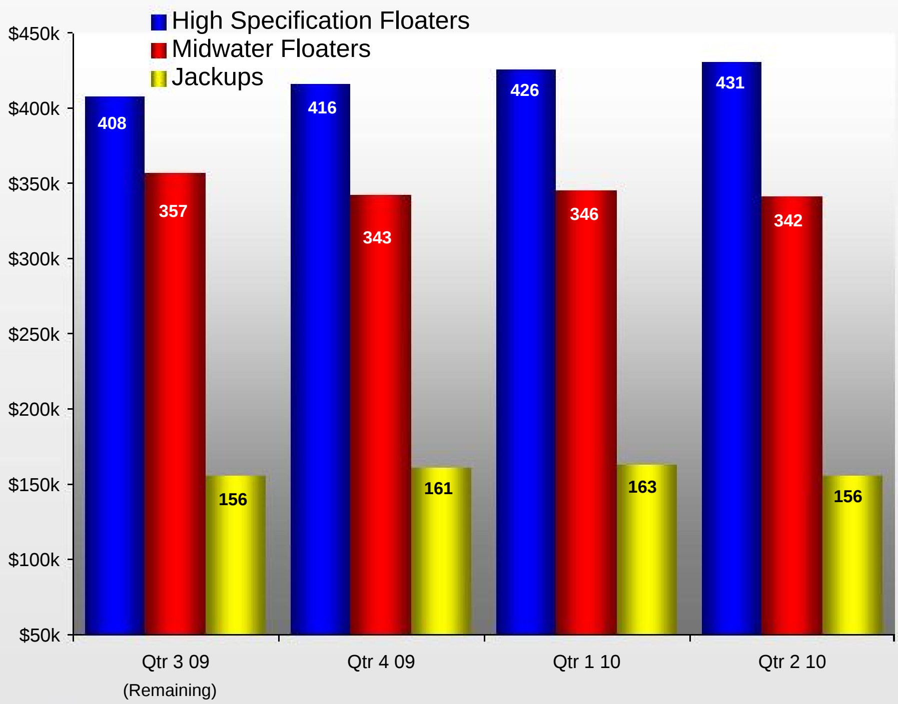
Exhibit 99.2

Your Next Generation Driller

Transocean Ltd. Reports
Second Quarter 2009 Results

Chart #1: Average Contracted Dayrate by Rig Type

Qtr 3 2009 through Qtr 2 2010 (Unaudited)

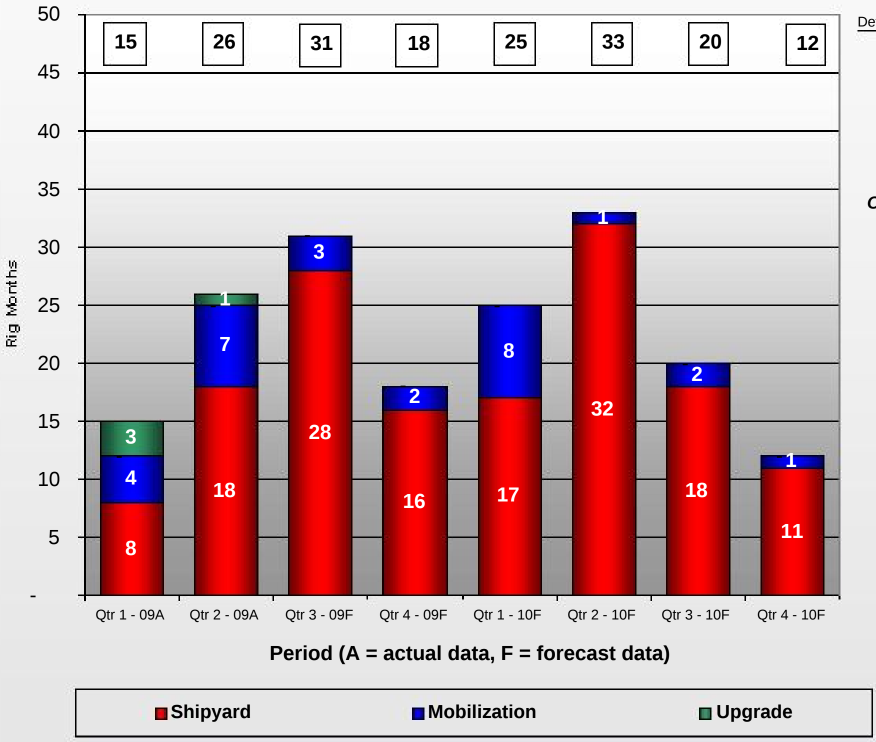


Definitions

Average Dayrate	**The weighted average contract dayrate for each rig type based on current backlog from the company's most recent Fleet Status Report as of August 3, 2009. Includes firm contracts only.**
High-Specification Floaters	**The High-Specification Floaters category is a consolidation of the Ultra-Deepwater Floaters, Other High-Specification Floaters and Other Deepwater Floaters as described below.** **Ultra-Deepwater Floaters have high-pressure mud pumps and a water depth capability of 7,500 feet or greater.** **Other High-Specification Floaters were built in the in the mid to late 1980s, are capable of drilling in harsh environments and have greater displacement than previously constructed rigs resulting in larger variable load capacity, more useable deck space and better motion characteristics.** **The Other Deepwater Floaters include the remaining semi-submersible rigs and drillships that have a water depth capacity of at least 4,500 feet.**
Midwater Floaters	**The Midwater Floaters category is generally comprised of those non-High-Specification Floaters with a water depth capacity of less than 4,500 feet.**
Jackups	**The Jackups category consists of our jackup fleet.**

Chart #2: Out-of-Service Rig Months

Qtr 1 2009 through Qtr 4 2010 (Unaudited)



Definitions

Rig Months Time expressed in months that each rig has been, or is forecast to be Out of Service as reflected in the company's Fleet Status Report as of August 3, 2009. Also includes out of service time of less than 14 days that is not disclosed in the Fleet Status Report.

Out-of-Service Time when a rig is not available to earn an operating dayrate due to shipyard, mobilization, and upgrades.

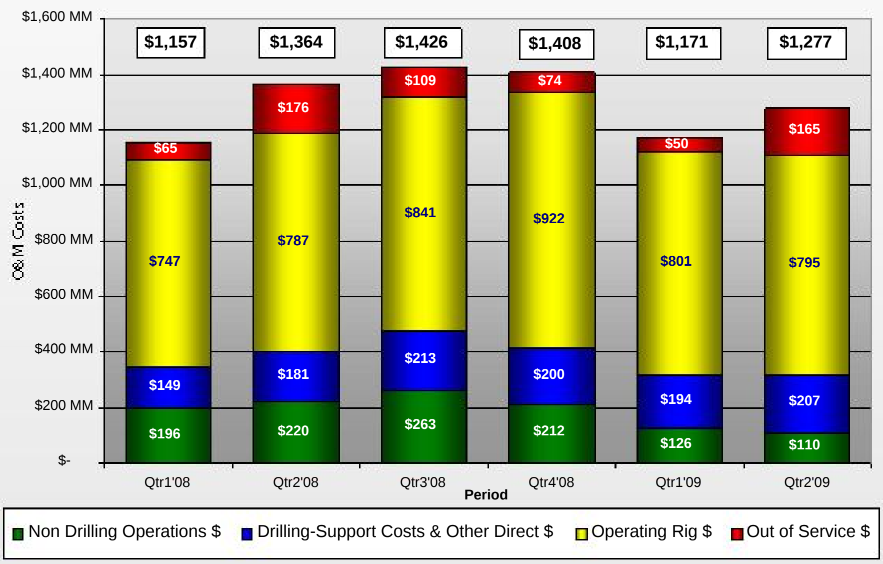
Mobilization Includes mobilization and demobilization to and from operating contracts and other activities such as shipyards excluding those mobilization and demobilization periods covered in ***Upgrade.***

Upgrade Includes the Sedco 702 and the Sedco 706 which have undergone shipyard projects to enhance the operational capabilities.

Shipyard Refers to periods during which a rig is out of service as a result of contract preparation, other planned shipyards, surveys, repairs, regulatory inspections or other planned service or work on the rig excluding reactivations and upgrades.

Chart #3: Operating & Maintenance (O&M) Costs Trends

(Unaudited)



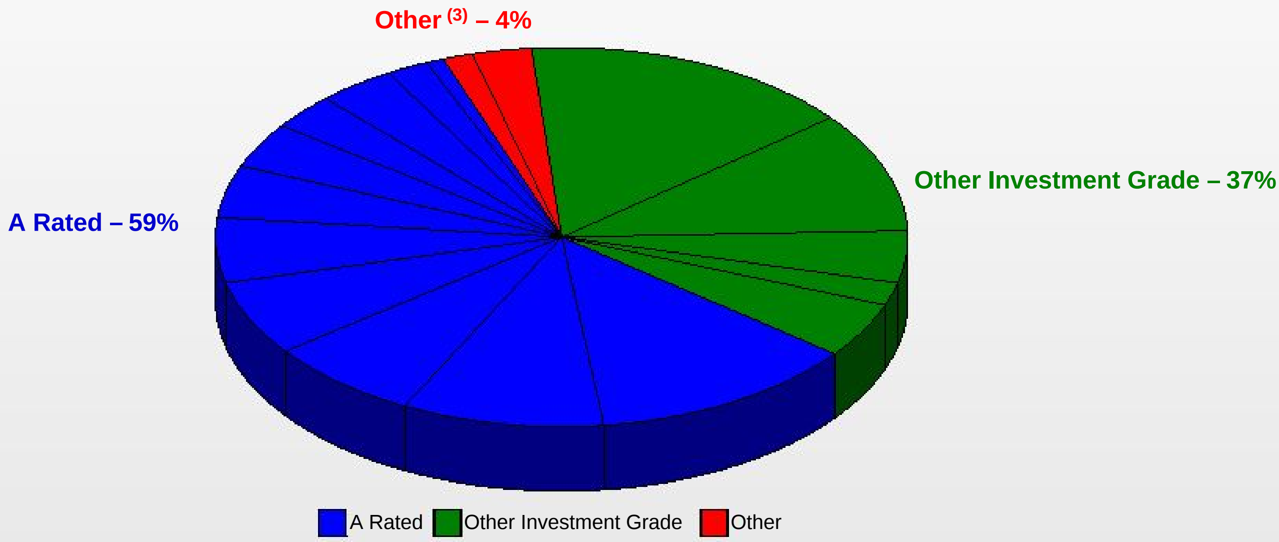
Definitions

Drilling - Support Costs & Other Direct	Includes all shorebase and common support costs such as onshore offices, yards and pool equipment and other direct costs such as labor pools and newbuild expenses.
Non Drilling Operations	Includes Integrated Services, Drilling Management, and Oil & Gas Services, and non-drilling overhead
Operating Rig $	Denotes the total O&M costs of a rig while in service based upon the Rig Operating Days (excluding shorebase or common support costs), as defined below.
Rig Operating Days	Denotes the total amount of days a rig is deemed to be in-service under contract operations. This excludes all out of service time relating to shipyards, mobilization and short-term out of contract periods but includes the operational downtime of in service rigs. The average number of days may also fluctuate from quarter to quarter as a result of rigs being reactivated, sold or stacked in the quarters.
Out of Service $	Denotes the total O&M costs while a rig is out of service based upon Out of Service Days, as defined below. Out of Service costs are the difference between total operating and maintenance costs and the In-Service Costs.
Out of Service Days	Includes the total amount of days a rig is deemed to be out of service. This relates to times when a rig is out of service due to shipyards, mobilization, short-term idle periods and stacked periods.
O&M Costs	Operating and maintenance costs represent all direct and indirect costs associated with the operation and maintenance of our drilling rigs. Operating and maintenance costs also includes all costs related to local and Unit offices as well as all costs related to operations support, engineering support, marketing and other similar costs. The principal elements of these costs are direct and indirect labor and benefits, repair and maintenance, contract preparation expenses, insurance, boat and helicopter rentals, professional and technical fees, freight costs, communications, customs duties, tool rentals and services, fuel and water, general taxes and licenses. Labor, repair and maintenance costs, insurance premiums, personal injury losses and drilling rig casualty losses represent the most significant components of our operating and maintenance costs

Chart #4: Contract Backlog by Client Rating[(1)]

(Unaudited)

Total Contract Backlog [(2)] = $33.7 Billion



(1) Credit ratings represent the rating of client parent companies; however, our contracts may or may not be with the parent company.

(2) Calculated by multiplying the contracted operating dayrate by the firm contract period from August 3, 2009 forward. Reflects firm commitments represented by signed contracts. Contract backlog excludes revenues from mobilization, demobilization, contract preparation, integrated services and customer reimbursables. Our backlog calculation assumes that we receive the full contractual dayrate, which could be higher than the actual Dayrate that we receive because of a number of factors (rig downtime, suspension of operations, etc.) including some beyond our control.

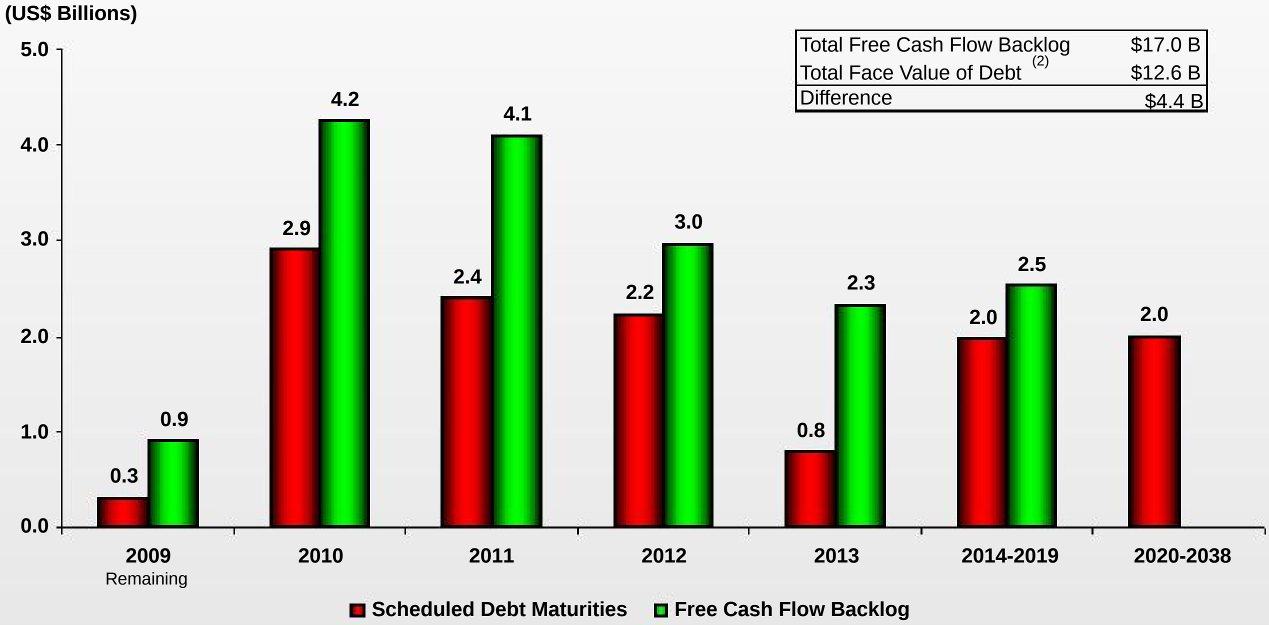
(3) Other includes non-investment grade and unrated companies

Chart #5: Free Cash Flow Backlog and Debt Maturities

(Unaudited)

Total Free Cash Flow Backlog (1) = $17.0 Billion

Total Free Cash Flow Backlog	$17.0 B
Total Face Value of Debt (2)	$12.6 B
Difference	$4.4 B



(1) Defined as Revenue Backlog, plus Firm Mob Revenue for contracts not started, less Opex and overhead, less Firm Mob costs, less Cash Taxes, Firm Sustaining CAPEX, less all future newbuild CAPEX (including capital lease commitments), and upgrade CAPEX based on current backlog from the company's most recent Fleet Status Report as of August 3, 2009.

(2) Total Face Value of Debt as of July 31, 2009