

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): February 5, 2002

TRANSOCEAN SEDCO FOREX INC.
(Exact name of registrant as specified in its charter)

CAYMAN ISLANDS	333-75899	66-0582307
(State or other jurisdiction of incorporation or organization)	(Commission File Number)	(I.R.S. Employer Identification No.)

4 GREENWAY PLAZA
HOUSTON, TEXAS 77046
(Address of principal executive offices and zip code)

Registrant's telephone number, including area code: (713) 232-7500

N/A

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

ITEM 5. OTHER EVENTS.

On February 5, 2002, the Company issued a press release announcing its fourth quarter and full year 2001 results and describing dayrates and rig utilization rates in its International and U.S. Floater Contract Drilling Services and Gulf of Mexico Shallow and Inland Water segments, the outlook for the offshore and inland marine drilling industry in different geographic regions and certain of the Company's near-term to mid-term prospects. The press release is included as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated by reference.

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS.

The following exhibit is filed herewith:

99.1 Press Release dated February 5, 2002.

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 thereunto duly authorized.

TRANSOCEAN SEDCO FOREX INC.

Date: February 6, 2002

By: /s/ GREGORY L. CAUTHEN

Gregory L. Cauthen
Vice President, Chief Financial
Officer and Treasurer

[LOGO
TRANSOCEAN
SEDCO FOREX]

TRANSOCEAN SEDCO FOREX INC.
Post Office Box 2765
Houston TX 77252 2765

ANALYST CONTACT: Jeffrey L. Chastain
713 232 7551

NEWS RELEASE

MEDIA CONTACT: Guy A. Cantwell
713 232 7647

FOR RELEASE: February 5, 2002

TRANSOCEAN SEDCO FOREX REPORTS
FOURTH QUARTER AND FULL YEAR 2001 RESULTS

HOUSTON--Transocean Sedco Forex Inc. (NYSE: RIG) today reported that net income for the three months ended December 31, 2001 was \$56.0 million, or \$0.17 per diluted share, on revenues of \$747.6 million. Net income during the final quarter of 2001 included a net after-tax charge of \$31.1 million, or \$0.10 per diluted share, resulting from asset impairments, partially offset by a net after-tax gain of \$17.1 million, or \$0.05 per diluted share, resulting primarily from the December 2001 sale of the floating production vessel, the Seillean. A net after-tax extraordinary loss of \$1.9 million resulting from the early retirement of debt was also reflected in net income for the quarter. Excluding the asset impairment charges, gain from the sale of assets (net) and extraordinary loss, net income for the three months ended December 31, 2001 was \$71.9 million or \$0.22 per diluted share. During the corresponding three months in 2000, net income was \$33.0 million, or \$0.16 per diluted share, before the effect of dispute-related after-tax charges totaling \$42.2 million, or \$0.20 per diluted share, relating principally to a \$37.4 million provision pertaining to the settlement of a terminated bareboat charter agreement and a \$4.8 million provision for legal claims. After adjusting for the dispute-related charges, the company reported a net loss for the three months ended December 31, 2000 of \$9.2 million, or \$0.04 per diluted share. Revenues during the three months ended December 31, 2000 were \$314.9 million.

For the twelve months ended December 31, 2001, net income totaled \$252.6 million, or \$0.80 per diluted share, on revenues of \$2,820.1 million. The 2001 results included the previously mentioned after-tax asset impairment charge of \$31.1 million, or \$0.10 per diluted share, offset by a net after-tax gain totaling \$43.1 million, or \$0.14 per diluted share, resulting from the sale of assets. A net after-tax extraordinary loss totaling \$19.3 million, or \$0.06 per diluted share, resulting from the early retirement of debt, was also reflected in the full year 2001 net income. After adjusting for these three items, net income for the twelve months ended December 31, 2001 totaled \$259.9 million, or \$0.83 per diluted share. During the corresponding twelve months in 2000, net income was \$108.5 million, or \$0.51 per diluted share, on revenues of \$1,229.5 million. The 2000 results included net after-tax charges of \$17.3 million, or \$0.08 per diluted share, relating primarily to the previously mentioned settlement of a terminated bareboat charter agreement and provisions for legal claims, partially offset by gains associated with a cash settlement relating to the early termination of a rig contract, the sale of two rigs and the early termination of certain debt.

Transocean Sedco Forex completed a merger transaction with R&B Falcon Corporation on January 31, 2001. Therefore, results for the twelve months ended December 31, 2001 reflect only eleven months of operating results of R&B Falcon Corporation. Pro Forma utilization measures noted below have been

calculated based on the combined fleet of Transocean Sedco Forex and R&B Falcon for the twelve months ended December 31, 2001 and the equivalent period during 2000.

During the three months ended December 31, 2001, the company earned \$687.7 million, or 92% of total operating revenues from its International and U.S. Floater Contract Drilling Services business segment, representing a 5% increase from the \$655.0 million in segment operating revenues reported during the three months ended September 30, 2001. The segment's field operating income, defined as operating revenues less operating and maintenance expenses, declined 3% to \$304.9 million during the three months ended December 31, 2001, compared to \$313.4 million during the three months ended September 30, 2001. Segment fleet utilization improved to 86% during the three months ended December 31, 2001, compared to 81% and 78% during the three months ended September 30, 2001 and December 31, 2000, respectively.

Operating revenues from the company's Gulf of Mexico Shallow and Inland Water business segment declined 48% during the three months ended December 31, 2001, to \$59.9 million, compared to \$115.2 million during the three months ended September 30, 2001. Segment field operating income declined 92% during the three months ended December 31, 2001 to \$2.9 million, compared to \$38.6 million during the three months ended September 30, 2001. Segment fleet utilization fell to 38% during the three months ended December 31, 2001, compared to 63% and 67% during the three months ended September 30, 2001 and December 31, 2000, respectively.

As of December 31, 2001, net debt (long-term debt plus debt due within one year, less cash and cash equivalents) of \$4,170 million had declined by \$260 million from net debt of \$4,430 million as of September 30, 2001.

J. Michael Talbert, Chief Executive Officer of Transocean Sedco Forex Inc., stated, "During the fourth quarter of 2001, our International and U.S. Floater Contract Drilling Services business segment experienced higher average utilization and dayrates when compared to the third quarter of 2001. However, segment profitability declined as operating and maintenance expenses increased compared with the third quarter, which benefited from \$13.6 million in accelerated amortization of deferred gain relating to the semisubmersible rig, the Drill Star. In addition, operating results within our U.S. Shallow and Inland Water business segment continued to decline as lower average natural gas prices and reduced customer spending levels sent utilization and average dayrates among our jackup rigs to their lowest level for the year."

Talbert added, "As we enter 2002, some regions requiring semisubmersibles and drillships, or floaters, are displaying signs of weakening demand as operators reassess exploration and production spending plans against the risk of increased volatility in crude oil prices. In the U.S. Gulf of Mexico mid-water and deepwater market segments, dayrates have begun to soften as drilling rig availability has increased. Consequently, we recently signed a contract for the deepwater drillship Discoverer 534 for work offshore India. The rig is currently mobilizing to India from the U.S. Gulf of Mexico and is expected to begin drilling by April 2002. In the U.K. sector of the North Sea, the seasonal decline in utilization, particularly among semisubmersibles, has encouraged us to mobilize the semisubmersible rig Sovereign Explorer to West Africa for a one-year contract offshore Equatorial Guinea, expected to commence during March 2002. In Norway, demand for rigs is continuing to soften as production-related drilling programs and exploration activity decline. The Transocean Arctic, one of our high-specification semisubmersible rigs operating in Norway, is expected to become idle in February 2002, with no additional work visible in the next three to six months. In contrast to the floater market, the international jackup market remains stable, particularly in the West Africa, Middle East and Southeast Asia regions.

Prospects for an immediate recovery within our U.S.-based jackup rig fleet are currently limited. Natural gas storage levels are approximately 76% higher than levels seen at this time one year ago as unseasonably warm weather persists in the U.S., keeping natural gas prices depressed and development of shallow water drilling prospects uncertain through the first half of 2002. The actively marketed portion of our U.S.-based jackup fleet has been reduced to 17 rigs at present from 25 rigs at mid-year 2001 in an effort to limit operating costs. Despite the weak drilling environment created by declining natural gas prices, the performance of our inland drilling barge fleet has improved in early 2002 as utilization and dayrates have benefited from an increasing level of operator interest in deep gas drilling."

In closing, Talbert remarked on the year just completed, stating, "As a company, we achieved a number of goals during 2001. The January 2001 closing of our merger with R&B Falcon expanded our offshore drilling fleet, providing unprecedented global presence, fleet capabilities and improved marketing and technical support in most of the world's offshore drilling locations. Substantial progress was made over the year in integrating approximately 15,000 employees from the former Transocean Offshore, Sedco Forex and R&B Falcon companies, to form a coordinated base of knowledge and skill with common goals and corporate values. In addition, delivery of five newly constructed ultra-deepwater drilling rigs completed a five-year, approximately \$5 billion capital expansion program which saw 15 technically advanced rigs added to the company's deepwater fleet. Following the conclusion of this program, capital expenditure levels declined while operating cash flow improved, resulting in a \$420 million reduction in net debt since February 28, 2001. These accomplishments, along with financial successes such as the issuance of \$1.7 billion in public debt to finance the retirement of R&B Falcon high yield notes at substantially lower interest rates, have positioned Transocean Sedco Forex to compete more effectively in the global offshore drilling market and should enhance the company's long-term financial position."

Statements regarding future oil and gas prices, exploration and production spending, drilling market conditions, rig demand, date of commencement of drilling contracts, prospects for recovery for the U.S. jackup market, dayrates, shallow water prospects, effect of accomplishments and financial successes, as well as any other statements that are not historical facts in this release, are forward-looking statements that involve certain risks, uncertainties and assumptions. These include but are not limited to the future price of oil and gas, demand for rigs, operating hazards and delays, risks associated with international operations, actions by customers and other third parties, competition, risks of drilling contract terminations or suspensions and other factors detailed in the company's most recent Form 10-Q and Form 10-K and other filings with the Securities and Exchange Commission. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those indicated.

Conference Call Information

The company will conduct a teleconference call at 10:00 a.m. EST on February 5, 2002. Individuals who wish to participate in the teleconference call may dial 719-457-2657 and refer to confirmation code 678175. It is recommended that participants dial in five to 10 minutes prior to the scheduled start time of the call.

In addition, the conference call will be simulcast through a listen-only broadcast over the Internet and can be accessed by logging on to the company's Worldwide Web address at www.deepwater.com and selecting "Investor Relations." It may also be accessed via the Worldwide Web at www.CompanyBoardroom.com by typing in the company's NYSE trading symbol, "RIG."

A telephonic replay of the conference call should be available after 1:00 p.m. EST on February 5 and can be accessed by dialing 719-457-0820 and referring to the passcode 678175. 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.

Monthly Fleet Update Information

Drilling rig status and contract information on Transocean Sedco Forex's offshore drilling fleet has been condensed into two reports titled "Monthly Fleet Update" and "Monthly Fleet Update - Jackups and Barges" which are available through the company's Website at www.deepwater.com. The reports are located in the "Investor Relations/Financial Reports" section of the Website. The reports will also be available through a free monthly email distribution. To be added to the email distribution, please contact Jeffrey L. Chastain, Vice President of Investor Relations and Communications, at jchastain@houston.deepwater.com or at fax number 713-232-7031.

Transocean Sedco Forex Inc. is the world's largest offshore drilling contractor with more than 160 fully or partially owned or operated mobile offshore drilling units, inland drilling barges and other assets utilized in the support of offshore drilling activities worldwide. The company's mobile offshore drilling fleet is considered one of the most modern and versatile in the world with 31 high-specification semisubmersibles and drillships, 29 other semisubmersibles and one drillship (other floaters), and 54 jackup drilling rigs, of which 28 are located in the U.S. Gulf of Mexico. Transocean Sedco Forex specializes in technically demanding segments of the offshore drilling business, including industry-leading positions in deepwater and harsh environment drilling services. With a current equity market capitalization in excess of \$9 billion, the company's ordinary shares are traded on the New York Stock Exchange under the symbol "RIG."

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02-05

TRANSOCEAN SEDCO FOREX INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS

Three Months
Ended Twelve
Months Ended
December 31,
December 31,

---- 2001
2000 2001
2000 -----

(In millions,
except per
share data)

Operating Revenues \$	747.6	\$ 314.9
	\$2,820.1	\$1,229.5
Costs and Expenses		
Operating and maintenance	439.8	250.6
Depreciation	1,603.3	812.6
Goodwill amortization	121.8	56.8
General and administrative	470.1	230.6
	41.5	8.9
	154.9	28.9
Impairment Loss on Long Lived Assets	40.4	-- 40.4
	--	Gain from Sale of Assets, net
	27.5	4.2 56.5
	17.8	
Operating Income (Loss)	117.6	(7.7)
	550.0	133.1
Other Income (Expense), net Equity in earnings of joint ventures	4.5	1.8 16.5 9.4
Interest income	5.0	1.6 18.7 6.2
Interest expense, net of amounts capitalized	(59.1)	(0.9)
	(223.9)	(3.0)
Other, net	1.2	(2.6)
	(0.8)	(1.3)
	(48.4)	(0.1)
	(189.5)	11.3
Income (Loss)		

Before Income			
Taxes,			
Minority			
Interest and			
Extraordinary			
Items	69.2		
(7.8)	360.5		
144.4	Income		
Tax Expense			
10.8	1.3	85.7	
36.7	Minority		
Interest	0.5		
0.1	2.9	0.6	
Income (Loss)			
Before			
Extraordinary			
Items	57.9		
(9.2)	271.9		
107.1	Gain		
(Loss) on			
Extraordinary			
Items, net of			
tax	(1.9)	--	
(19.3)	1.4		
Net Income			
(Loss)	\$ 56.0		
\$ (9.2)	\$		
252.6	\$ 108.5		
Basic			
Earnings Per			
Share Income			
(Loss) Before			
Extraordinary			
Items	\$ 0.18		
\$ (0.04)	\$		
0.88	\$ 0.51		
Gain (Loss)			
on			
Extraordinary			
Items, net of			
tax	--	--	
(0.06)	0.01		
Net Income			
(Loss)	\$ 0.18		
\$ (0.04)	\$		
0.82	\$ 0.52		
Diluted			
Earnings Per			
Share Income			
(Loss) Before			
Extraordinary			
Items	\$ 0.17		
\$ (0.04)	\$		
0.86	\$ 0.50		
Gain (Loss)			
on			
Extraordinary			
Items, net of			
tax	--	--	
(0.06)	0.01		
Net Income			
(Loss)	\$ 0.17		
\$ (0.04)	\$		
0.80	\$ 0.51		
Weighted			
Average			
Shares			
Outstanding			
Basic	318.7		
210.6	309.2		
210.4	Diluted		
322.7	210.6		
314.8	211.7		

On January 31, 2001, the Company completed a merger transaction with R&B Falcon Corporation. As a result of the merger, R&B Falcon Corporation became an indirect wholly owned subsidiary of the Company. The Company accounted for the merger using the purchase method of accounting with the Company treated as the accounting acquiror. The above Consolidated Statement of Operations for the twelve months ended December 31, 2001, includes eleven months of operating

results of R&B Falcon Corporation.

TRANSOCEAN SEDCO FOREX INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In millions, except share data)

	DECEMBER 31,	
	2001	2000
ASSETS		
Cash and Cash Equivalents	\$ 853.4	\$ 34.5
Accounts Receivable		
Trade	602.9	268.8
Other	72.8	27.1
Materials and Supplies	158.8	89.5
Deferred Income Taxes	21.0	18.1
Other Current Assets	27.9	10.1
Total Current Assets	1,736.8	448.1
Property and Equipment	10,081.4	6,003.2
Less Accumulated Depreciation	1,713.3	1,308.2
Property and Equipment, net	8,368.1	4,695.0
Goodwill, net	6,466.7	1,037.9
Investments in and Advances to Joint Ventures	28.2	105.9
Other Assets	420.0	71.9
Total Assets	\$17,019.8	\$ 6,358.8
LIABILITIES AND SHAREHOLDERS' EQUITY		
Accounts Payable	\$ 188.4	\$ 135.6
Accrued Income Taxes	188.2	113.1
Debt Due Within One Year	484.4	23.1
Deferred Gain on Sale of Rigs	--	57.7
Other Current Liabilities	283.4	165.7
Total Current Liabilities	1,144.4	495.2
Long-Term Debt	4,539.4	1,430.3
Deferred Income Taxes	317.1	359.2
Deferred Gain on Sale of Rigs	--	12.1
Other Long-Term Liabilities	108.6	57.9
Total Long-Term Liabilities	4,965.1	1,859.5
Commitments and Contingencies		
SHAREHOLDERS' EQUITY		
Preference Shares, \$0.10 par value; 50,000,000 shares authorized, none issued and outstanding	--	--
Ordinary Shares, \$0.01 par value; 800,000,000 shares authorized, 318,816,035 and 210,710,363 shares issued and outstanding at December 31, 2001 and 2000, respectively	3.2	2.1
Additional Paid-in Capital	10,611.7	3,918.7
Accumulated Other Comprehensive Income	(2.3)	--
Retained Earnings	297.7	83.3
Total Shareholders' Equity	10,910.3	4,004.1
Total Liabilities and Shareholders' Equity	\$17,019.8	\$ 6,358.8

TRANSOCEAN SEDCO FOREX INC.
 FLEET OPERATING STATISTICS

OPERATING
 REVENUES (\$
 MILLIONS) --

INTERNATIONAL

AND U.S.
 FLOATER
 CONTRACT
 TWELVE
 MONTHS
 DRILLING
 SERVICES
 SEGMENT:
 THREE MONTHS
 ENDED ENDED
 DECEMBER 31,

DECEMBER 31,
 SEPTEMBER
 30, DECEMBER
 31, 2001
 2001 2000(1)
 2001(1)
 2000(1) ----

----- High-
 Specification

Floaters
 \$354.7
 \$341.5
 \$265.4
 \$1,289.4
 \$909.8 Other

Floaters
 \$176.9
 \$160.6
 \$119.5
 \$611.2
 \$508.6

Jackups -
 Non-U.S.
 \$112.5 \$93.3
 \$69.5 \$352.8
 \$220.3 Other
 \$43.6 \$59.6
 \$77.7 \$263.3
 \$340.8

Segment
 Total \$687.7
 \$655.0
 \$532.1
 \$2,516.7
 \$1,979.5

GULF OF
 MEXICO
 SHALLOW AND
 INLAND WATER
 SEGMENT:

Jackups and
 Submersibles
 \$24.4 \$59.6
 \$69.7 \$253.1
 \$190.1
 Inland
 Barges \$32.0
 \$53.7 \$39.5
 \$171.7
 \$116.4 Other
 \$3.5 \$1.9
 \$3.1 \$4.5
 \$6.4 Segment
 Total \$59.9
 \$115.2
 \$112.3
 \$429.3
 \$312.9 Total
 Company
 \$747.6
 \$770.2
 \$644.4
 \$2,946.0
 \$2,292.4

AVERAGE
 DAYRATES ---

INTERNATIONAL
 AND U.S.
 FLOATER
 CONTRACT
 TWELVE
 MONTHS
 DRILLING
 SERVICES
 SEGMENT:
 THREE MONTHS
 ENDED ENDED
 DECEMBER 31,

 DECEMBER 31,
 SEPTEMBER
 30, DECEMBER
 31, 2001
 2001 2000(1)
 2001(1)
 2000(1) ----

High-
 Specification
 Floaters
 \$145,000
 \$144,500
 \$124,300
 \$141,800
 \$120,000
 Other
 Floaters
 \$71,100
 \$66,600
 \$56,000
 \$65,100
 \$60,000

Jackups -
 Non-U.S.
 \$52,800
 \$49,200
 \$37,100
 \$46,500
 \$32,900
 Other
 \$41,300
 \$42,500
 \$41,400
 \$39,900
 \$40,900
 Segment
 Total
 \$88,200
 \$86,600
 \$72,000
 \$83,600
 \$70,100 GULF
 OF MEXICO
 SHALLOW AND
 INLAND WATER
 SEGMENT:
 Jackups and
 Submersibles
 \$30,600
 \$37,700
 \$32,000
 \$36,800
 \$26,500
 Inland
 Barges
 \$22,800
 \$24,400
 \$20,000
 \$22,400
 \$18,500
 Segment
 Total
 \$25,600
 \$30,000
 \$26,300
 \$29,200
 \$22,800
 Total Mobile
 Offshore
 Drilling
 Fleet
 \$74,000
 \$66,900
 \$54,200
 \$64,900
 \$53,200

UTILIZATION

INTERNATIONAL
 AND U.S.
 FLOATER
 CONTRACT
 TWELVE
 MONTHS
 DRILLING
 SERVICES
 SEGMENT:
 THREE MONTHS
 ENDED ENDED
 DECEMBER 31,

 DECEMBER 31,
 SEPTEMBER
 30, DECEMBER
 31, 2001
 2001 2000(1)
 2001(1)
 2000(1) ----

 ----- High-
 Specification
 Floaters 90%
 87% 92% 86%
 89% Other
 Floaters 89%
 82% 70% 81%
 70% Jackups
 - Non-U.S.
 89% 84% 86%
 84% 79%
 Other 54%
 48% 47% 52%
 47% Segment
 Total 86%
 81% 78% 81%
 75% GULF OF
 MEXICO
 SHALLOW AND
 INLAND WATER
 SEGMENT:
 Jackups and
 Submersibles
 27% 52% 70%
 57% 58%
 Inland
 Barges 49%
 75% 65% 66%
 52% Segment
 Total 38%
 63% 67% 61%
 55% Total
 Mobile
 Offshore
 Drilling
 Fleet 67%
 73% 74% 73%
 66%

(1) Transocean Sedco Forex completed a merger transaction with R&B Falcon on January 31, 2001. Therefore, operating revenues, average dayrates and utilization for the three months ended December 31, 2000 and twelve months ended December 31, 2001 and 2000 are stated as pro forma results based on the combined fleet of Transocean Sedco Forex and R&B Falcon.