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): May 6, 2009 (May 6, 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 May 6, 2009, concerning first 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 March 31, 2009, December 31, 2008 and March 31, 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 May 6, 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 First 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: May 6, 2009

By /s/ Chipman Earle

Chipman Earle

Associate General Counsel and Corporate Secretary

Index to Exhibits

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99.2	Slide Presentation

Exhibit 99.1

Transocean Ltd.
Investor Relations and
Communications Dept.

Analyst Contact: Gregory S. Panagos
713-232-7551

Media Contact: Guy A. Cantwell
713-232-7647

News Release
FOR RELEASE: May 6, 2009

TRANSOCEAN LTD. REPORTS FIRST QUARTER 2009 FINANCIAL RESULTS

ZUG, SWITZERLAND—Transocean Ltd. (NYSE: RIG) today reported net income attributable to controlling interest for the three months ended March 31, 2009 of $942 million, or $2.93 per diluted share, compared to net income attributable to controlling interest of $1.149 billion, or $3.58 per diluted share for the three months ended March 31, 2008. Revenues for the first quarter of 2009 were $3.118 billion compared to $3.110 billion for the first quarter of 2008.

First quarter 2009 results were adversely impacted by certain net charges, after tax, totaling $264 million, or $0.82 per diluted share, as follows:

- $221 million of write-downs to fair market value for the *GSF Arctic II* and *GSF Arctic IV* semisubmersible rigs held for sale and
- $43 million of discrete tax items, payments associated with the merger of Transocean and GlobalSantaFe Corporation and losses on the retirement of debt.

First quarter 2008 reported income included certain net charges, after-tax, totaling $30 million, or $0.09 per diluted share, consisting of $27 million in discrete tax items, $1 million in merger-related costs and a $2 million loss related to the retirement of debt.

Operations Quarterly Review

Revenues for the three months ended March 31, 2009 decreased 4.6 percent to $3.118 billion compared to revenues of $3.270 billion during the three months ended December 31, 2008. Of the $152 million quarter-to-quarter decrease, $127 million reflected a decline in integrated services and other revenue and $29 million resulted from reduced contract drilling intangible revenues.

Operating and maintenance expenses for the three months ended March 31, 2009 were $1.171 billion compared to $1.408 billion for the prior three-month period, a decrease of $237 million or 16.8 percent. The quarter-to-quarter decline in operating and maintenance costs consisted of $92 million from reduced non-drilling activity, $77 million related to a reduction in shipyard and maintenance projects and the remainder related to reductions in a variety of items including bad debt expense, strengthening of the U.S. dollar and decreases in drilling activity.

Depreciation, depletion and amortization totaled $355 million in the first quarter of 2009, a decrease of 10.4 percent compared to $396 million in the fourth quarter of 2008. The $41 million quarter-to-quarter decrease resulted primarily from the cumulative effect of various adjustments related to the merger with GlobalSantaFe made during fourth quarter 2008 that did not recur in the first quarter 2009.

General and administrative expenses decreased 5.1 percent to $56 million for the first quarter of 2009 compared to $59 million for the fourth quarter 2008. The decrease primarily reflects a reduction in costs related to the company's move to Switzerland incurred in the first quarter of 2009 compared to the fourth quarter 2008.

Interest Expense and Liquidity

Interest expense, net of amounts capitalized, for the first quarter of 2009 totaled $136 million compared to $167 million for the fourth quarter of 2008. The decrease in interest expense included $16 million from increased capitalized interest and $11 million from lower interest rates and lower balances in our commercial paper program.

During the first quarter 2009, Transocean adopted Financial Accounting Standards Board Staff Position No. APB 14-1, *Accounting for Convertible Debt Instruments That May Be Settled in Cash upon Conversion (Including Partial Cash Settlement)* (“FSP APB 14-1”), which requires the company to separately account for the liability and equity components of its convertible debt instruments and to reflect interest expense at its market rate of borrowing. For the first quarter 2009, interest expense, net of amounts capitalized, included a non-cash increase of approximately $45 million resulting from the adoption of FSP APB 14-1. For the full year 2009, interest expense, net of amounts capitalized, is expected to include a non-cash increase of $176 million resulting from the adoption of FSP APB 14-1.

First quarter 2008 results are presented as adjusted for the retrospective application of FSP APB 14-1. For the first quarter 2008, interest expense, net of amounts capitalized, included a non-cash increase of $40 million resulting from the retrospective application of FSP APB 14-1. For the full year 2008, retrospective application of FSP APB 14-1 will result in a non-cash increase to interest expense, net of amounts capitalized, of $171 million. Additionally, the retrospective application of FSP APB 14-1 to our balance sheet as of March 31, 2008 caused our total assets to decrease by $5 million, our liabilities to decrease by $776 million and our equity to increase by $771 million.

As of March 31, 2009, total debt was $12.964 billon, compared to total debt of $13.557 billion as of December 31, 2008 (as adjusted for FSP APB 14-1). The decrease in total debt of $593 million during the first quarter 2009 resulted primarily from debt repayments, partially offset by additional borrowings under our joint venture credit facilities and increased amortization of discounts and fair value adjustments. The retrospective application of FSP APB 14-1 to our balance sheet as of December 31, 2008 caused our total assets to increase by $11 million, our liabilities to decrease by $629 million and our equity to increase by $640 million.

Cash flow from operating activities totaled $1.441 billion for the first quarter of 2009 compared to $1.196 billion for the fourth quarter of 2008.

Effective Tax Rate

Transocean’s reported Effective Tax Rate[1] of 21.1 percent for the first quarter of 2009 reflects the unfavorable impact of the write-down of rigs to fair market value, as described above, as well as various discrete tax items of $36 million which primarily resulted from changes in estimates. Excluding these various discrete items, the Annual Effective Tax Rate[2] for the first quarter of 2009 was 15.2 percent.

Conference Call Information

Transocean will conduct a teleconference call at 10:00 a.m. Eastern time, 4:00 p.m. Swiss time, on May 6, 2009. To participate, dial 913-312-1522 and refer to confirmation code 1643292 approximately five to 10 minutes prior to the scheduled start time of the call.

In addition, the conference call will be simultaneously broadcast over the Internet in a listen-only mode and can be accessed by logging onto Transocean’s website at *www.deepwater.com* and selecting “Investor

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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.”

Relations/News & Events/Webcasts & Presentations.” A file containing five charts to be discussed during the conference call, titled “1Q09 Charts,” has been posted to Transocean’s website and can also be found by selecting “Investor Relations/News & Events/Webcasts & Presentations.” The conference call may also be accessed via the Internet at *www.CompanyBoardroom.com* by typing in Transocean’s New York Stock Exchange trading symbol, “RIG.”

A telephonic replay of the conference call should be available after 1:00 p.m. Eastern time, 7:00 p.m. Swiss time, on May 6, 2009 and can be accessed by dialing 719-457-0820 and referring to the passcode 1643292. Also, a replay will be available through the Internet and can be accessed by visiting either of the above-referenced Worldwide Web addresses.

Transocean is the world’s largest offshore drilling contractor and the leading provider of drilling management services worldwide. With a fleet of 136 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), 28 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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09-12

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

	Three months ended March 31,	
	2009	2008 (As adjusted)
Operating revenues		
Contract drilling revenues	$ 2,834	$ 2,632
Contract drilling intangible revenues	104	224
Other revenues	180	254
	3,118	3,110
Costs and expenses		
Operating and maintenance	1,171	1,157
Depreciation, depletion and amortization	355	367
General and administrative	56	49
	1,582	1,573
Impairment loss	(221)	—
Gain from disposal of assets, net	4	3
Operating income	1,319	1,540
Other income (expense), net		
Interest income	1	13
Interest expense, net of amounts capitalized	(136)	(177)
Other, net	6	(8)
	(129)	(172)
Income before income taxes	1,190	1,368
Income tax expense	251	218
Net income	939	1,150
Net income (loss) attributable to noncontrolling interest	(3)	1
Net income attributable to controlling interest	$ 942	$ 1,149
Earnings per share		
Basic	$ 2.94	$ 3.62
Diluted	$ 2.93	$ 3.58
Weighted average shares outstanding		
Basic	319	317
Diluted	320	321

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

	March 31, 2009	December 31, 2008 (As adjusted)
ASSETS		
Cash and cash equivalents	$ 1,302	$ 963
Short-term investments	112	333
Accounts receivable, net of allowance for doubtful accounts of $115 and $114 at March 31, 2009 and December 31, 2008, respectively	2,884	2,864
Materials and supplies, net of allowance for obsolescence of $54 and $49 at March 31, 2009 and December 31, 2008, respectively	458	432
Deferred income taxes, net	50	63
Assets held for sale	244	464
Other current assets	165	230
Total current assets	5,215	5,349
Property and equipment	26,373	25,836
Less accumulated depreciation	5,319	4,975
Property and equipment, net	21,054	20,861
Goodwill	8,134	8,128
Other assets	856	844
Total assets	$ 35,259	$ 35,182
LIABILITIES AND EQUITY		
Accounts payable	$ 745	$ 914
Accrued income taxes	299	317
Debt due within one year	2,040	664
Other current liabilities	705	806
Total current liabilities	3,789	2,701
Long-term debt	10,924	12,893
Deferred income taxes, net	673	666
Other long-term liabilities	1,753	1,755
Total long-term liabilities	13,350	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 320,004,924 outstanding at March 31, 2009 and 502,852,947 authorized, 167,617,649 contingently authorized, 335,235,298 issued and 319,262,113 outstanding at December 31, 2008	4,455	4,444
Additional paid-in capital	7,344	7,313
Accumulated other comprehensive loss	(448)	(420)
Retained earnings	6,769	5,827
Total controlling interest shareholders’ equity	18,120	17,164
Noncontrolling interest	—	3
Total equity	18,120	17,167
Total liabilities and equity	$ 35,259	$ 35,182

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

	Three months ended March 31, 2009	2008 (As adjusted)
Cash flows from operating activities		
Net income	$ 939	$ 1,150
Adjustments to reconcile net income to net cash provided by operating activities		
Amortization of drilling contract intangibles	(104)	(224)
Depreciation, depletion and amortization	355	367
Share-based compensation expense	19	22
Gain from disposal of assets, net	(4)	(3)
Impairment loss	221	—
Amortization of debt issue costs, discounts and premiums, net	52	41
Deferred revenue, net	(6)	18
Deferred expenses, net	2	16
Deferred income taxes	6	(25)
Other, net	11	1
Changes in operating assets and liabilities	(50)	119
Net cash provided by operating activities	1,441	1,482
Cash flows from investing activities		
Capital expenditures	(708)	(769)
Proceeds from disposal of assets, net	8	254
Proceeds from distributions from short-term investments	221	—
Joint ventures and other investments, net	—	(3)
Net cash used in investing activities	(479)	(518)
Cash flows from financing activities		
Change in short-term borrowings, net	(24)	(4)
Proceeds from debt	88	1,976
Repayments of debt	(600)	(2,633)
Payments for repurchase of convertible senior notes	(102)	—
Payments for exercise of warrants, net	—	(4)
Proceeds from share-based compensation plans, net	17	27
Other, net	(2)	—
Net cash used in financing activities	(623)	(638)
Net increase in cash and cash equivalents	339	326
Cash and cash equivalents at beginning of period	963	1,241
Cash and cash equivalents at end of period	$ 1,302	$ 1,567

TRANSOCEAN LTD.
FLEET OPERATING STATISTICS

	Operating Revenues ($ Millions) (1)		
	Three months ended		
	March 31, 2009	December 31, 2008	March 31, 2008
Contract Drilling Revenues			
High-Specification Floaters:			
Ultra-Deepwater Floaters	$ 702	$ 673	$ 608
Deepwater Floaters	413	331	325
Harsh Environment Floaters	158	164	150
Total High-Specification Floaters	1,273	1,168	1,083
Midwater Floaters	708	797	675
High-Specification Jackups	151	146	157
Standard Jackups	689	709	711
Other Rigs	13	10	6
Subtotal	2,834	2,830	2,632
Contract Intangible Revenue	104	133	224
Other Revenues			
Client Reimbursable Revenues	50	51	48
Integrated Services and Other	53	49	43
Drilling Management Services	70	194	139
Oil and Gas Properties	7	13	24
Subtotal	180	307	254
Total Company	$ 3,118	$ 3,270	$ 3,110

	Average Dayrates (1)		
	Three months ended		
	March 31, 2009	December 31, 2008	March 31, 2008
High-Specification Floaters:			
Ultra-Deepwater Floaters	$451,000	$ 423,600	$380,800
Deepwater Floaters	$336,900	$ 299,000	$284,100
Harsh Environment Floaters	$351,100	$ 358,900	$344,000
Total High-Specification Floaters	$393,800	$ 370,500	$340,900
Midwater Floaters	$314,700	$ 329,200	$292,300
High-Specification Jackups	$169,500	$ 169,100	$173,800
Standard Jackups	$156,400	$ 156,100	$146,200
Other Rigs	$ 46,700	$ 37,800	$ 21,200
Total Drilling Fleet	$256,500	$ 251,500	$228,400

	Utilization (1)		
	Three Months Ended		
	March 31, 2009	December 31, 2008	March 31, 2008
High-Specification Floaters:			
Ultra-Deepwater Floaters	96%	96%	98%
Deepwater Floaters	85%	75%	79%
Harsh Environment Floaters	100%	100%	96%
Total High-Specification Floaters	92%	88%	90%
Midwater Floaters	89%	92%	88%
High-Specification Jackups	99%	94%	99%
Standard Jackups	89%	90%	93%
Other Rigs	99%	99%	100%
Total Drilling Fleet	91%	90%	91%

(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		
	Mar. 31, 2009	**Dec. 31, 2008**	**Mar. 31, 2008**
Operating revenue	$ 3,118	$ 3,270	$ 3,110
Operating and maintenance expense	1,171	1,408	1,157
Depreciation, depletion and amortization	355	396	367
Impairment loss	221	320	—
(Gain) loss from disposal of assets, net	4	3	(3)
Operating income before general and administrative expense	1,367	1,143	1,589
Add back (subtract):			
Depreciation, depletion and amortization	355	396	367
Impairment loss	221	320	—
(Gain) loss from disposal of assets, net	4	3	(3)
Field operating income	$ 1,947	$ 1,862	$ 1,953

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

	Three months ended		
	Mar. 31, 2009	Dec. 31, 2008	Mar. 31, 2008
		(As adjusted)	
Income before income taxes	$1,190	$ 963	$1,368
Add back (subtract):			
Impairment loss	221	326	—
Change to estimated useful lives of certain GSF rigs	—	46	—
Sedco 712 bad debt provision	—	23	—
Inventory obsolescence provision	—	21	—
GSF Merger related costs	6	2	—
Contract termination fee - Transocean Nordic	—	(17)	—
Income from TODCO tax sharing agreement	—	(4)	—
Loss on retirement of debt	2	—	—
Adjusted income before income taxes	**1,419**	**1,360**	**1,368**
Income tax expense	251	210	218
Add back (subtract):			
GSF Merger related costs	1	—	—
Impairment loss	—	17	—
Sedco 712 bad debt provision	—	6	—
Materials and supplies obsolescence provision	—	3	—
Changes in estimates (1)	(37)	(14)	(27)
Adjusted income tax expense (2)	**$ 215**	**$ 222**	**$ 191**
Effective Tax Rate (3)	**21.1%**	**21.8%**	**15.9%**
Annual Effective Tax Rate (4)	**15.2%**	**16.3%**	**14.0%**

(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 Dec. 31, 2008 include $28 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.

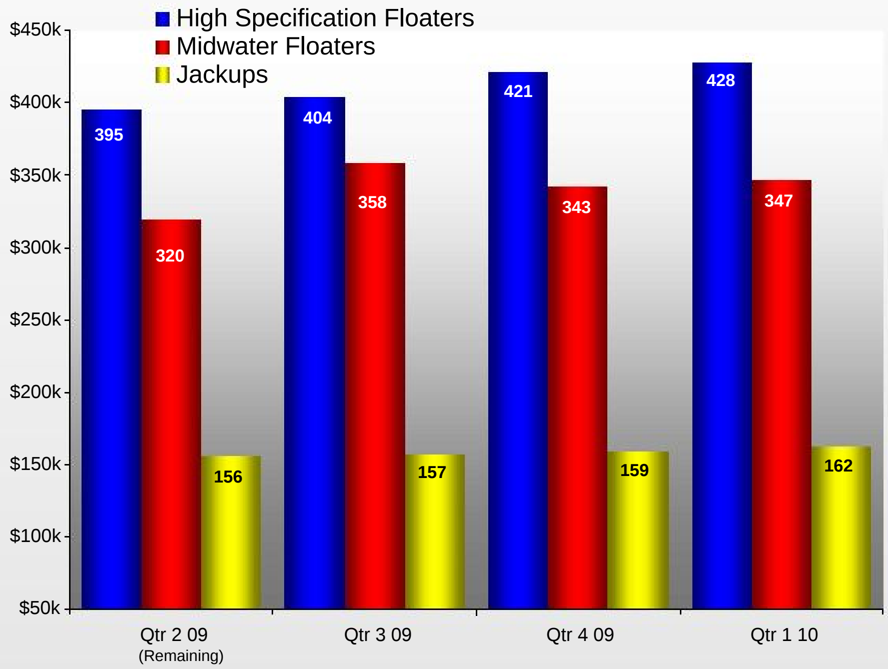
Exhibit 99.2

Your Next Generation Driller

Transocean Ltd. Reports First Quarter 2009 Results

Chart #1: Average Contracted Dayrate by Rig Type

Qtr 2 2009 through Qtr 1 2010 (Unaudited)

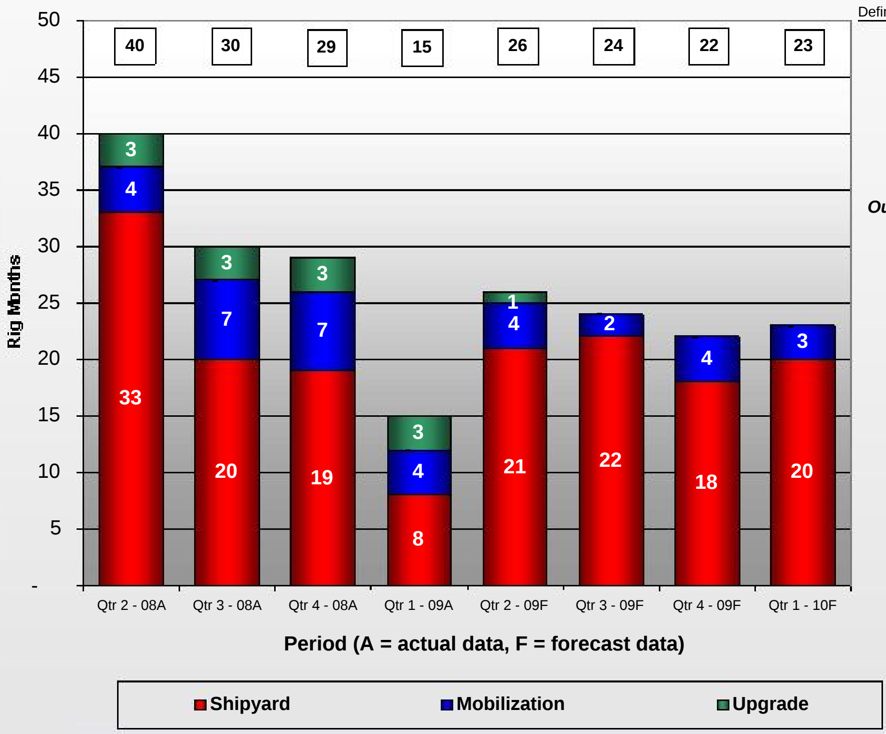


Definitions

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 May 5, 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 2 2008 through Qtr 1 2010 (Unaudited)

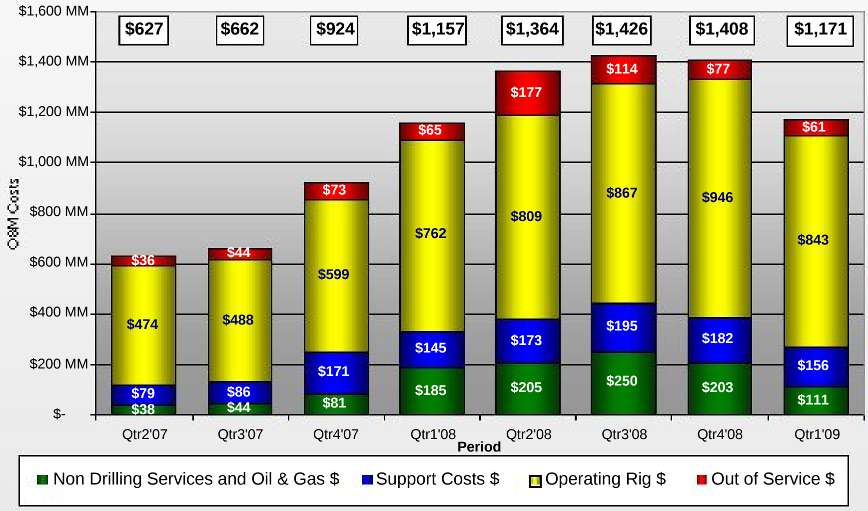


Definitions

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 May 5, 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 or are undergoing shipyard project 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)



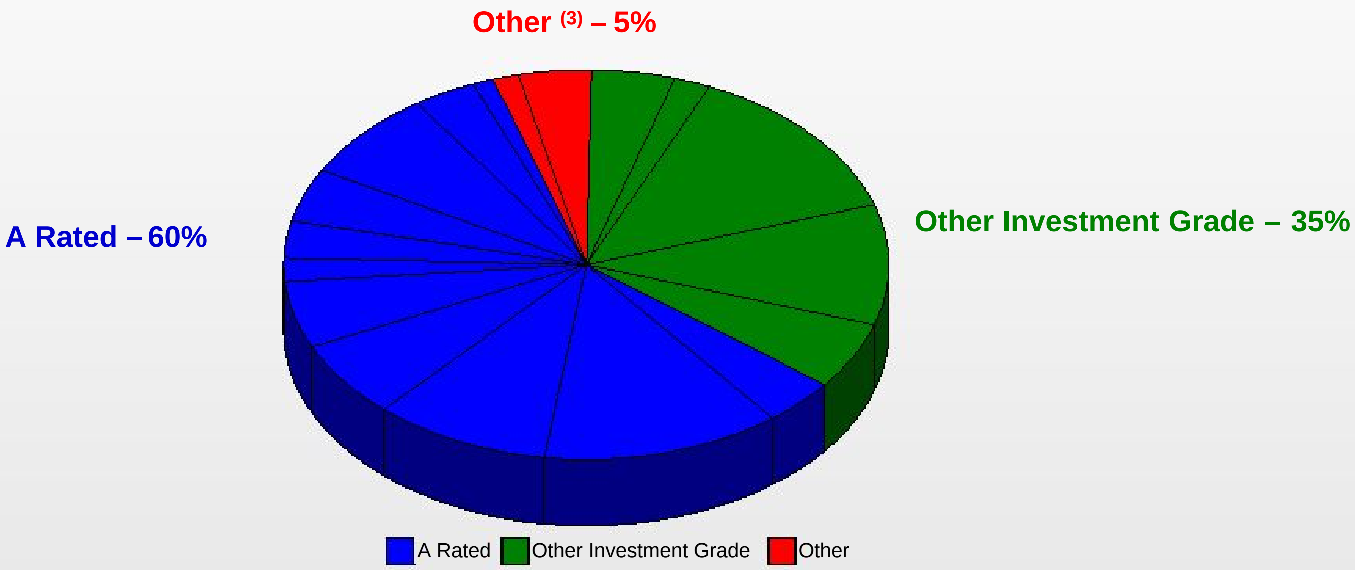
Definitions

Support Costs	All shorebase or common support costs such as on-shore offices, yards, pool equipment.
Non Drilling Services and Oil & Gas	Comprises of Integrated Services, Drilling Management Services, and Oil & Gas Properties.
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 and short-term idle 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) = $35.8 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 May 5, 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.

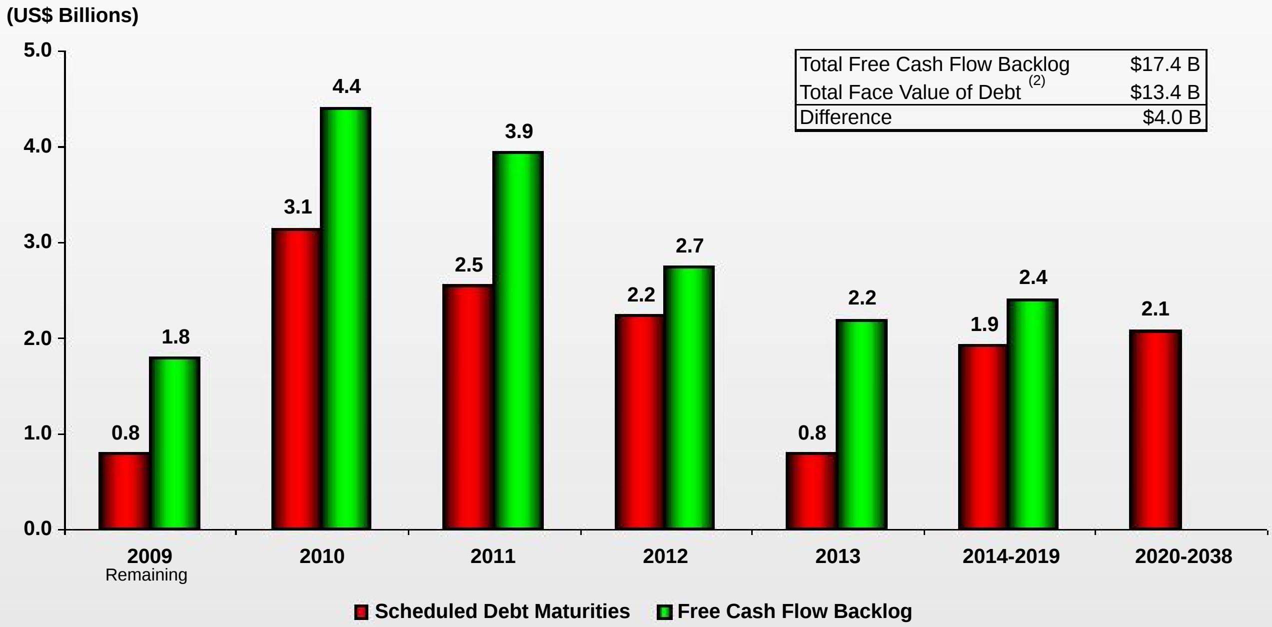
(3) Other includes non-investment grade and unrated companies

Chart #5: Free Cash Flow Backlog and Debt Maturities

(Unaudited)

Total Free Cash Flow Backlog (1) = $17.4 Billion

Total Free Cash Flow Backlog	$17.4 B
Total Face Value of Debt (2)	$13.4 B
Difference	$4.0 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

(2) Total Face Value of Debt as of April 30, 2009