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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

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**FORM 8-K**

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**CURRENT REPORT**

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

Date of Report (Date of earliest event reported): December 9, 2010

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**TRANSOCEAN LTD.**

(Exact name of registrant as specified in its charter)

**Switzerland**  
(State or other jurisdiction  
of incorporation or organization)

**000-53533**  
(Commission  
File Number)

**98-0599916**  
(I.R.S. Employer  
Identification No.)

**10 Chemin de Blandonnet**  
**1214 Vernier, Geneva**  
**Switzerland**  
(Address of principal executive offices)

**CH-1214**  
(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))
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**Item 3.03 Material Modification to Rights of Security Holders.**

On December 9, 2010, the Administrative Court of the Canton of Zug rejected Transocean Ltd.'s (the "Company") appeal of the decree of the Commercial Register of the Canton of Zug to not register the first installment of the approximately \$1 billion cash distribution approved by shareholders at the Company's Annual General Meeting held on May 14, 2010. The Company is considering its alternatives, including a possible appeal of the ruling to the Swiss Federal Supreme Court by January 24, 2011. The Company will determine whether or not to appeal the court's decision to the Swiss Federal Supreme Court following a detailed review of the court's reasons for the negative ruling. If the Company does not appeal, the court decision will likely prevent the Company from paying the first and all subsequent installments of the cash distribution.

Shareholders approved a distribution in the form of a par value reduction in an aggregate amount of 3.44 Swiss francs per issued share, equal to approximately 3.49 U.S. dollars (using an exchange rate of 1.00 U.S. dollar to 0.9862 Swiss francs as of the close of trading on December 8, 2010) to be calculated and paid in four installments. The proposal for the distribution was described in a proxy statement filed April 1, 2010 in connection with the Annual General Meeting on May 14, 2010 and approved by shareholders at the meeting. Under Swiss law, upon satisfaction of all legal requirements, the Company was required to submit an application to the Zug Commercial Register to register the applicable par value reduction.

**Item 8.01 Other Events.**

On December 9, 2010, the Company issued a press release announcing that the Administrative Court of the Canton of Zug had rejected the Company's appeal of the decree of the Commercial Register of the Canton of Zug to not register the first installment of the approximately \$1 billion cash distribution approved by shareholders at the Company's Annual General Meeting held on May 14, 2010. The Company is considering its alternatives, including a possible appeal of the ruling to the Swiss Federal Supreme Court by January 24, 2011. The Company will determine whether or not to appeal the court's decision to the Swiss Federal Supreme Court following a detailed review of the court's reasons for the negative ruling. If the Company does not appeal, the court decision will likely prevent the Company from paying the first and all subsequent installments of the cash distribution. The Company's press release is filed as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

Statements regarding the distribution to shareholders, including appeal of the rejection of the application in the relevant courts, future payments of the distribution, as well as any other statements that are not historical facts, are forward-looking statements that involve certain risks, uncertainties and assumptions. These include but are not limited to compliance with legal requirements, operating hazards and delays, actions by governmental and regulatory authorities (including courts), customers and other third parties, the future price of oil and gas, the actual revenues earned and other factors detailed in the Company's most recent Form 10-K, Form 10-Q and other filings with the Securities and Exchange Commission ("SEC"), which are available free of charge on the SEC's website at [www.sec.gov](http://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. Additional information regarding the distribution may be found in the Company's most recent Form 10-Q, proxy statement and other filings made with the SEC.

**Item 9.01. Financial Statements and Exhibits**

(d) Exhibits.

The exhibit to this report furnished pursuant to item 8.01 is as follows:

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release dated December 9, 2010

**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: December 10, 2010

By \_\_\_\_\_ /s/ ERIC J. CHRIST  
Eric J. Christ  
Authorized Person

## Index to Exhibits

Exhibit  
Number

Description

99.1

Press Release dated December 9, 2010



Transocean Ltd.  
Investor Relations and  
Communications Dept.

**Analyst Contact:** Gregory S. Panagos  
+1 713-232-7551  
**Media Contact:** Guy A. Cantwell  
+1 713-232-7647

## News Release

**FOR RELEASE:** December 9, 2010

### **ZUG COURT DECISION PREVENTS TRANSOCEAN FROM PROCEEDING WITH DISTRIBUTION**

ZUG, SWITZERLAND—Transocean Ltd. (NYSE: RIG) (SIX: RIGN) today announced that the Administrative Court of the Canton of Zug rejected its appeal of the decree of the Commercial Register of the Canton of Zug to not register the first installment of the approximately \$1 billion cash distribution approved by shareholders in May 2010. Transocean is considering its alternatives, including a possible appeal of the ruling to the Swiss Federal Supreme Court by January 24, 2011.

Transocean will determine whether or not to appeal the court's decision to the Swiss Federal Supreme Court following a detailed review of the court's reasons for the negative ruling. If Transocean does not appeal, the court decision will likely prevent Transocean from paying the first and all subsequent installments of the cash distribution.

Shareholders approved a distribution in the form of a par value reduction in an aggregate amount of 3.44 Swiss francs per issued share, equal to approximately 3.49 U.S. dollars (using an exchange rate of 1.00 U.S. dollar to 0.9862 Swiss francs as of the close of trading on December 8, 2010) to be calculated and paid in four installments. The proposal for the distribution was described in a proxy statement filed April 1, 2010 in connection with the Annual General Meeting on May 14, 2010 and approved by shareholders at the meeting. Under Swiss law, upon satisfaction of all legal requirements, Transocean was required to submit an application to the Zug Commercial Register to register the applicable par value reduction.

#### **Forward-Looking Statements**

Statements regarding the distribution to shareholders, including timing and amount of distribution, available options, appeal of the rejection of the application to the relevant courts, future payments of the distribution, as well as any other statements that are not historical facts, are forward-looking statements that involve certain risks, uncertainties and assumptions. These include but are not limited to compliance with legal requirements, operating hazards and delays, actions by governmental and regulatory authorities (including courts), customers and other third parties, the future price of oil and gas, the actual revenues earned and other factors detailed in the company's most recent Form 10-K, Form 10-Q and other filings with the Securities and Exchange Commission ("SEC"), which are available free of charge on the SEC's website at [www.sec.gov](http://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. Additional information regarding the distribution may be found in the company's most recent Form 10-Q, proxy statement and other filings made with the SEC.

### **About Transocean**

Transocean is the world's largest offshore drilling contractor and the leading provider of drilling management services worldwide. With a fleet of 139 mobile offshore drilling units and three ultra-deepwater drillships and a high-specification jackup under construction, 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 45 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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