



Transocean Ltd. and subsidiaries  
**Non-GAAP Financial Measures and Reconciliations**  
**Adjusted Net Income (Loss) and Adjusted Diluted Earnings (Loss) Per Share**  
(In millions, except per share data)

	YTD <u>06/30/20</u>	QTD <u>06/30/20</u>	YTD <u>03/31/20</u>
<b>Adjusted Net Loss</b>			
<b>Net loss attributable to controlling interest, as reported</b>	\$ (889)	\$ (497)	\$ (392)
Restructuring costs	1	1	-
Loss on impairment of investment in unconsolidated affiliate	59	59	-
Loss on impairment of assets	597	430	167
(Gain) loss on retirement of debt	53	(4)	57
Discrete tax items	(9)	10	(19)
<b>Net loss, as adjusted</b>	<u>\$ (188)</u>	<u>\$ (1)</u>	<u>\$ (187)</u>
<b>Adjusted Diluted Loss Per Share:</b>			
Diluted loss per share, as reported	\$ (1.45)	\$ (0.81)	\$ (0.64)
Restructuring costs	-	-	-
Loss on impairment of investment in unconsolidated affiliate	0.10	0.10	-
Loss on impairment of assets	0.97	0.70	0.28
(Gain) loss on retirement of debt	0.09	(0.01)	0.09
Discrete tax items	(0.02)	0.02	(0.03)
<b>Diluted loss per share, as adjusted</b>	<u>\$ (0.31)</u>	<u>\$ -</u>	<u>\$ (0.30)</u>

	YTD <u>12/31/19</u>	QTD <u>12/31/19</u>	YTD <u>09/30/19</u>	QTD <u>09/30/19</u>	YTD <u>06/30/19</u>	QTD <u>06/30/19</u>	YTD <u>03/31/19</u>
<b>Adjusted Net Loss</b>							
<b>Net loss attributable to controlling interest, as reported</b>	\$ (1,255)	\$ (51)	\$ (1,204)	\$ (825)	\$ (379)	\$ (208)	\$ (171)
Acquisition and restructuring costs	6	5	1	-	1	1	-
Gain on bargain purchase	(11)	-	(11)	-	(11)	(9)	(2)
Loss on impairment of assets	609	25	584	583	1	1	-
(Gain) loss on disposal of assets, net	5	(2)	7	6	1	2	(1)
Gain on terminated construction contracts	(132)	(132)	-	-	-	-	-
Loss on retirement of debt	41	2	39	12	27	9	18
Discrete tax items and other, net	(150)	(110)	(40)	(10)	(30)	(5)	(25)
<b>Net loss, as adjusted</b>	<u>\$ (887)</u>	<u>\$ (263)</u>	<u>\$ (624)</u>	<u>\$ (234)</u>	<u>\$ (390)</u>	<u>\$ (209)</u>	<u>\$ (181)</u>
<b>Adjusted Diluted Loss Per Share:</b>							
Diluted loss per share, as reported	\$ (2.05)	\$ (0.08)	\$ (1.97)	\$ (1.35)	\$ (0.62)	\$ (0.34)	\$ (0.28)
Acquisition and restructuring costs	0.01	0.01	-	-	-	-	-
Gain on bargain purchase	(0.02)	-	(0.02)	-	(0.02)	(0.01)	-
Loss on impairment of assets	0.99	0.04	0.97	0.96	-	-	-
(Gain) loss on disposal of assets, net	0.01	-	0.01	0.01	-	-	-
Gain on terminated construction contracts	(0.22)	(0.22)	-	-	-	-	-
Loss on retirement of debt	0.07	-	0.06	0.02	0.05	0.01	0.03
Discrete tax items and other, net	(0.24)	(0.18)	(0.07)	(0.02)	(0.05)	-	(0.05)
<b>Diluted loss per share, as adjusted</b>	<u>\$ (1.45)</u>	<u>\$ (0.43)</u>	<u>\$ (1.02)</u>	<u>\$ (0.38)</u>	<u>\$ (0.64)</u>	<u>\$ (0.34)</u>	<u>\$ (0.30)</u>



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	YTD 12/30/18	QTD 12/30/18	YTD 09/30/18	QTD 09/30/18	YTD 06/30/18	QTD 06/30/18	YTD 03/31/18
<b>Adjusted Net Income (Loss)</b>							
<b>Net loss attributable to controlling interest, as reported</b>	\$ (1,996)	\$ (242)	\$ (1,754)	\$ (409)	\$ (1,345)	\$ (1,135)	\$ (210)
Acquisition and restructuring costs	34	12	22	4	18	11	7
Gain on bargain purchase	(10)	(10)	-	-	-	-	-
Loss on impairment of goodwill and other assets	1,464	18	1,446	432	1,014	1,014	-
(Gain) loss on disposal of assets, net	(7)	(1)	(6)	1	(7)	(1)	(6)
Loss on retirement of debt	3	-	3	1	2	2	-
Discrete tax items and other, net	143	52	91	1	90	91	(1)
<b>Net income (loss), as adjusted</b>	<u>\$ (369)</u>	<u>\$ (171)</u>	<u>\$ (198)</u>	<u>\$ 30</u>	<u>\$ (228)</u>	<u>\$ (18)</u>	<u>\$ (210)</u>
<b>Adjusted Diluted Earnings (Loss) Per Share:</b>							
<b>Diluted loss per share, as reported</b>	\$ (4.27)	\$ (0.48)	\$ (3.86)	\$ (0.88)	\$ (2.99)	\$ (2.46)	\$ (0.48)
Acquisition and restructuring costs	0.07	0.02	0.05	0.01	0.05	0.03	0.02
Gain on bargain purchase	(0.02)	(0.02)	-	-	-	-	-
Loss on impairment of goodwill and other assets	3.13	0.03	3.18	0.93	2.26	2.19	-
(Gain) loss on disposal of assets, net	(0.01)	-	(0.02)	-	(0.02)	-	(0.02)
Loss on retirement of debt	0.01	-	0.01	-	-	-	-
Discrete tax items and other, net	0.30	0.11	0.20	-	0.20	0.20	-
<b>Diluted earnings (loss) per share, as adjusted</b>	<u>\$ (0.79)</u>	<u>\$ (0.34)</u>	<u>\$ (0.44)</u>	<u>\$ 0.06</u>	<u>\$ (0.50)</u>	<u>\$ (0.04)</u>	<u>\$ (0.48)</u>