

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 12/31/19	QTD 12/31/19	YTD 09/30/19	QTD 09/30/19	YTD 06/30/19	QTD 06/30/19	YTD 03/31/19
Adjusted Net Loss							
Net loss attributable to controlling interest, as reported	\$ (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)
Net loss, as adjusted	\$ (887)	\$ (263)	\$ (624)	\$ (234)	\$ (390)	\$ (209)	\$ (181)
Adjusted Diluted Loss Per Share:							
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)
Diluted loss per share, as adjusted	\$ (1.45)	\$ (0.43)	\$ (1.02)	\$ (0.38)	\$ (0.64)	\$ (0.34)	\$ (0.30)
	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
Adjusted Net Income (Loss)							
Net loss attributable to controlling interest, as reported	\$ (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)
Net income (loss), as adjusted	\$ (369)	\$ (171)	\$ (198)	\$ 30	\$ (228)	\$ (18)	\$ (210)
Adjusted Diluted Earnings (Loss) Per Share:							
Diluted loss per share, as reported	\$ (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	-
Diluted earnings (loss) per share, as adjusted	\$ (0.79)	\$ (0.34)	\$ (0.44)	\$ 0.06	\$ (0.50)	\$ (0.04)	\$ (0.48)

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	YTD 12/31/17	QTD 12/31/17	YTD 09/30/17	QTD 09/30/17	YTD 06/30/17	QTD 06/30/17	YTD 03/31/17
Adjusted Net Income (Loss)							
Net income (loss) attributable to controlling interest, as reported	\$ (3,127)	\$ (111)	\$ (3,016)	\$ (1,417)	\$ (1,599)	\$ (1,690)	\$ 91
Litigation matters	(8)	(1)	(7)	-	(7)	1	(8)
Acquisition and restructuring costs	6	1	5	3	2	2	-
Loss on impairment of assets	1,497	(2)	1,499	1,386	113	113	-
(Gain) loss on disposal of assets, net	1,590	(6)	1,596	1	1,595	1,597	(2)
Loss on retirement of debt	55	6	49	1	48	48	-
Discrete tax items and other, net	(37)	20	(57)	90	(147)	(70)	(77)
Net income (loss), as adjusted	\$ (24)	\$ (93)	\$ 69	\$ 64	\$ 5	\$ 1	\$ 4
Adjusted Diluted Earnings (Loss) Per Share:							
Diluted earnings (loss) per share, as reported	\$ (8.00)	\$ (0.28)	\$ (7.72)	\$ (3.62)	\$ (4.09)	\$ (4.32)	\$ 0.23
Litigation matters	(0.02)	-	(0.02)	-	(0.02)	-	(0.02)
Acquisition and restructuring costs	0.01	-	0.01	0.01	-	-	-
Loss on impairment of assets	3.84	-	3.84	3.54	0.29	0.29	-
(Gain) loss on disposal of assets, net	4.07	(0.01)	4.08	-	4.08	4.08	-
Loss on retirement of debt	0.14	0.01	0.12	-	0.12	0.12	-
Discrete tax items and other, net	(0.10)	0.04	(0.13)	0.23	(0.37)	(0.17)	(0.20)
Diluted earnings (loss) per share, as adjusted	\$ (0.06)	\$ (0.24)	\$ 0.18	\$ 0.16	\$ 0.01	\$ -	\$ 0.01