

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 12/31/21	QTD 12/31/21	YTD 09/30/21	QTD 09/30/21	YTD 06/30/21	QTD 06/30/21	YTD 03/31/21
Adjusted Net Loss							
Net loss attributable to controlling interest, as reported	\$ (592)	\$ (260)	\$ (332)	\$ (130)	\$ (202)	\$ (103)	\$ (99)
Allowance for excess materials and supplies, certain items	28	28	-	-	-	-	-
(Gain) loss on disposal of assets, net	57	(3)	60	-	60	-	60
Loss on impairment of investment in unconsolidated affiliate	37	37	-	-	-	-	-
Gain on retirement of debt	(51)	-	(51)	-	(51)	-	(51)
Discrete tax items	47	72	(25)	8	(33)	(6)	(27)
Net loss, as adjusted	<u>\$ (474)</u>	<u>\$ (126)</u>	<u>\$ (348)</u>	<u>\$ (122)</u>	<u>\$ (226)</u>	<u>\$ (109)</u>	<u>\$ (117)</u>
Adjusted Diluted Loss Per Share:							
Diluted loss per share, as reported	\$ (0.93)	\$ (0.40)	\$ (0.53)	\$ (0.20)	\$ (0.33)	\$ (0.17)	\$ (0.16)
Allowance for excess materials and supplies, certain items	0.04	0.04	-	-	-	-	-
(Gain) loss on disposal of assets, net	0.09	-	0.10	-	0.10	-	0.10
Loss on impairment of investment in unconsolidated affiliate	0.06	0.06	-	-	-	-	-
Gain on retirement of debt	(0.08)	-	(0.08)	-	(0.08)	-	(0.08)
Discrete tax items	0.08	0.11	(0.04)	0.01	(0.06)	(0.01)	(0.05)
Diluted loss per share, as adjusted	<u>\$ (0.74)</u>	<u>\$ (0.19)</u>	<u>\$ (0.55)</u>	<u>\$ (0.19)</u>	<u>\$ (0.37)</u>	<u>\$ (0.18)</u>	<u>\$ (0.19)</u>
	YTD 12/31/20	QTD 12/31/20	YTD 09/30/20	QTD 09/30/20	YTD 06/30/20	QTD 06/30/20	YTD 03/31/20
Adjusted Net Loss							
Net income (loss) attributable to controlling interest, as reported	\$ (567)	\$ (37)	\$ (530)	\$ 359	\$ (889)	\$ (497)	\$ (392)
Restructuring costs	5	(1)	6	5	1	1	-
Loss on impairment of assets	597	-	597	-	597	430	167
Loss on disposal of assets, net	61	-	61	61	-	-	-
Loss on impairment of investment in unconsolidated affiliates	62	3	59	-	59	59	-
(Gain) loss on restructuring and retirement of debt	(533)	(137)	(396)	(449)	53	(4)	57
Discrete tax items	(91)	(37)	(54)	(45)	(9)	10	(19)
Net loss, as adjusted	<u>\$ (466)</u>	<u>\$ (209)</u>	<u>\$ (257)</u>	<u>\$ (69)</u>	<u>\$ (188)</u>	<u>\$ (1)</u>	<u>\$ (187)</u>
Adjusted Diluted Loss Per Share:							
Diluted earnings (loss) per share, as reported	\$ (0.92)	\$ (0.06)	\$ (0.86)	\$ 0.51	\$ (1.45)	\$ (0.81)	\$ (0.64)
Restructuring costs	0.01	-	0.01	0.01	-	-	-
Loss on impairment of assets	0.97	-	0.97	-	0.97	0.70	0.28
Loss on disposal of assets, net	0.10	-	0.10	0.09	-	-	-
Loss on impairment of investment in unconsolidated affiliates	0.10	-	0.10	-	0.10	0.10	-
(Gain) loss on restructuring and retirement of debt	(0.87)	(0.22)	(0.65)	(0.65)	0.09	(0.01)	0.09
Discrete tax items	(0.15)	(0.06)	(0.09)	(0.07)	(0.02)	0.02	(0.03)
Diluted loss per share, as adjusted	<u>\$ (0.76)</u>	<u>\$ (0.34)</u>	<u>\$ (0.42)</u>	<u>\$ (0.11)</u>	<u>\$ (0.31)</u>	<u>\$ -</u>	<u>\$ (0.30)</u>



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	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)
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	<u>\$ (887)</u>	<u>\$ (263)</u>	<u>\$ (624)</u>	<u>\$ (234)</u>	<u>\$ (390)</u>	<u>\$ (209)</u>	<u>\$ (181)</u>
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)
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	<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>