

Transocean Ltd. and subsidiaries
Non-GAAP Financial Measures and Reconciliations
Adjusted Contract Drilling Revenues
Earnings Before Interest, Taxes, Depreciation and Amortization and Related Margins
(in millions, except percentages)

	YTD 06/30/23	QTD 06/30/23	YTD 03/31/23
Contract drilling revenues	\$ 1,378	\$ 729	\$ 649
Contract intangible asset amortization	37	19	18
Adjusted Contract Drilling Revenues	<u>\$ 1,415</u>	<u>\$ 748</u>	<u>\$ 667</u>
Net loss	\$ (630)	\$ (165)	\$ (465)
Interest expense, net of interest income	387	157	230
Income tax expense (benefit)	35	(16)	51
Depreciation and amortization	368	186	182
Contract intangible asset amortization	37	19	18
EBITDA	<u>197</u>	<u>181</u>	<u>16</u>
Loss on disposal of assets, net	169	-	169
Loss on impairment	53	53	-
Loss on debt conversion	3	3	-
Loss on retirement of debt	32	-	32
Adjusted EBITDA	<u>\$ 454</u>	<u>\$ 237</u>	<u>\$ 217</u>
Loss margin	(45.7) %	(22.6) %	(71.6) %
EBITDA margin	13.9 %	24.2 %	2.4 %
Adjusted EBITDA margin	32.1 %	31.7 %	32.5 %

	YTD 12/31/22	QTD 12/31/22	YTD 09/30/22	QTD 09/30/22	YTD 06/30/22	QTD 06/30/22	YTD 03/31/22
Contract drilling revenues	\$ 2,575	\$ 606	\$ 1,969	\$ 691	\$ 1,278	\$ 692	\$ 586
Contract intangible asset amortization	117	19	98	39	59	30	29
Adjusted Contract Drilling Revenues	<u>\$ 2,692</u>	<u>\$ 625</u>	<u>\$ 2,067</u>	<u>\$ 730</u>	<u>\$ 1,337</u>	<u>\$ 722</u>	<u>\$ 615</u>
Net loss	\$ (621)	\$ (350)	\$ (271)	\$ (28)	\$ (243)	\$ (68)	\$ (175)
Interest expense, net of interest income	534	251	283	87	196	96	100
Income tax expense (benefit)	59	35	24	(5)	29	3	26
Depreciation and amortization	735	186	549	182	367	184	183
Contract intangible asset amortization	117	19	98	39	59	30	29
EBITDA	<u>824</u>	<u>141</u>	<u>683</u>	<u>275</u>	<u>408</u>	<u>245</u>	<u>163</u>
Gain on retirement of debt	(8)	(1)	(7)	(7)	-	-	-
Adjusted EBITDA	<u>\$ 816</u>	<u>\$ 140</u>	<u>\$ 676</u>	<u>\$ 268</u>	<u>\$ 408</u>	<u>\$ 245</u>	<u>\$ 163</u>
Loss margin	(24.1) %	(57.8) %	(13.8) %	(4.1) %	(19.0) %	(9.8) %	(29.9) %
EBITDA margin	30.6 %	22.7 %	33.0 %	37.6 %	30.5 %	33.9 %	26.5 %
Adjusted EBITDA margin	30.3 %	22.4 %	32.7 %	36.7 %	30.5 %	33.9 %	26.5 %

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	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
Contract drilling revenues	\$ 2,556	\$ 621	\$ 1,935	\$ 626	\$ 1,309	\$ 656	\$ 653
Contract intangible asset amortization	220	50	170	57	113	57	56
Adjusted Contract Drilling Revenues	<u>\$ 2,776</u>	<u>\$ 671</u>	<u>\$ 2,105</u>	<u>\$ 683</u>	<u>\$ 1,422</u>	<u>\$ 713</u>	<u>\$ 709</u>
Net loss	\$ (591)	\$ (260)	\$ (331)	\$ (130)	\$ (201)	\$ (103)	\$ (98)
Interest expense, net of interest income	432	103	329	106	223	111	112
Income tax expense (benefit)	121	111	10	27	(17)	4	(21)
Depreciation and amortization	742	184	558	185	373	186	187
Contract intangible asset amortization	220	50	170	57	113	57	56
EBITDA	<u>924</u>	<u>188</u>	<u>736</u>	<u>245</u>	<u>491</u>	<u>255</u>	<u>236</u>
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)
Adjusted EBITDA	<u>\$ 995</u>	<u>\$ 250</u>	<u>\$ 745</u>	<u>\$ 245</u>	<u>\$ 500</u>	<u>\$ 255</u>	<u>\$ 245</u>
Loss margin	(23.1) %	(41.9) %	(17.1) %	(20.8) %	(15.4) %	(15.7) %	(15.0) %
EBITDA margin	33.3 %	28.0 %	35.0 %	35.9 %	34.5 %	35.8 %	33.3 %
Adjusted EBITDA margin	35.8 %	37.3 %	35.4 %	35.9 %	35.2 %	35.8 %	34.6 %