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UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (date of earliest event reported): August 7, 2006

TRANSOCEAN INC.
(Exact name of registrant as specified in its charter)

Cayman Islands	**333-75899**	**66-0582307**
(State or other jurisdiction of incorporation or organization)	(Commission File Number)	(I.R.S. Employer Identification No.)

4 Greenway Plaza
Houston, Texas 77046
(Address of principal executive offices and zip code)

Registrant's telephone number, including area code: **(713) 232-7500**

(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):

o Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

o Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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Item 7.01. Regulation FD Disclosure.

On August 7, 2006, officers of Transocean Inc. (the "Company") delivered a business and strategy presentation in New York City, New York. The presentation is furnished as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

The information in Item 7.01 of this report, including Exhibit 99.1, is being furnished, not filed. Accordingly, the information in Item 7.01 of this report will not be incorporated by reference into any registration statement filed by the Company under the Securities Act of 1933, as amended, unless specifically identified therein as being incorporated therein by reference. The furnishing of the information in this report is not intended to, and does not, constitute a determination or admission by the Company that the information in this report is material or complete, or that investors should consider this information before making an investment decision with respect to any security of the Company.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

The following exhibit is furnished pursuant to Item 7.01:

Exhibit Number	Description
99.1	Presentation dated August 7, 2006

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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 INC.

Date: August 7, 2006

By: /s/ Eric B. Brown
Name: Eric B. Brown
Title: Senior Vice President, General Counsel and Corporate Secretary

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INDEX TO EXHIBITS

Exhibit Number	Description
99.1	Presentation dated August 7, 2006

Transocean

Strategy and Business Review

August 7, 2006

New York City

Presentation Order

Jeffrey L. Chastain	V.P. Investor Relations	Introduction
Robert L. Long	President & CEO	Company Overview & Areas of Strategic Focus
Gregory L. Cauthen	S.V.P. & CFO	Financial Review

Regional Outlook and Challenges

David J. Mullen	Business Unit V.P.	Americas
Ricardo Rosa	Business Unit V.P.	Asia/Pacific
Jean P. Cahuzac	E.V.P., COO	Europe/Africa
Mike Hall	V.P. Engineering & Tech. Svcs.	Project Review/Technology
Robert L. Long	President & CEO	Summary & Q&A

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Forward-Looking Statement

The statements described in this presentation that are not historical facts are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements which could be made include, but are not limited to, statements involving prospects for the company, expected revenues, capital expenditures, costs and results of operations, market outlook, revenue backlog for the company and other drillers, contract opportunities and commitments, operational performance, rig demand, rig capacity, dayrates, rig reactivations, rig upgrades including upgrade projects for the Sedco 700-series semisubmersible rigs, newbuild and acquisition opportunities, uses of excess cash including stock buybacks, debt reduction, fleet marketing efforts, rig mobilizations and planned shipyard programs. Such statements are subject to numerous risks, uncertainties and assumptions, including but not limited to, uncertainties relating to the level of activity in offshore oil and gas exploration and development, exploration success by producers, oil and gas prices, rig demand and capacity, drilling industry market conditions, possible delays or cancellation of drilling contracts, work stoppages, operational or other downtime, the company's ability to enter into and the terms of future contracts, the availability of qualified personnel, labor relations, future financial results, operating hazards, political and other uncertainties inherent in non-U.S. operations (including exchange and currency fluctuations), war, terrorism, natural disaster and cancellation or unavailability of insurance coverage, the impact of governmental laws and regulations, the adequacy of sources of liquidity, the effect of litigation and contingencies and other factors discussed in the company's most recent Form 10-K for the year ended December 31, 2005 and in the company's other filings with the SEC, which are available free of charge on the SEC's website at 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. All subsequent written and oral forward-looking statements attributable to the company or to persons acting on our behalf are expressly qualified in their entirety by reference to these risks and uncertainties. You should not place undue reliance on forward-looking statements. Each forward-looking statement speaks only as of the date of the particular statement, and we undertake no obligation to publicly update or revise any forward-looking statements. All non-GAAP financial measure reconciliations to the most comparative GAAP measure are displayed in quantitative schedules on the company's web site at www.deepwater.com/Non-GAAP.cfm.

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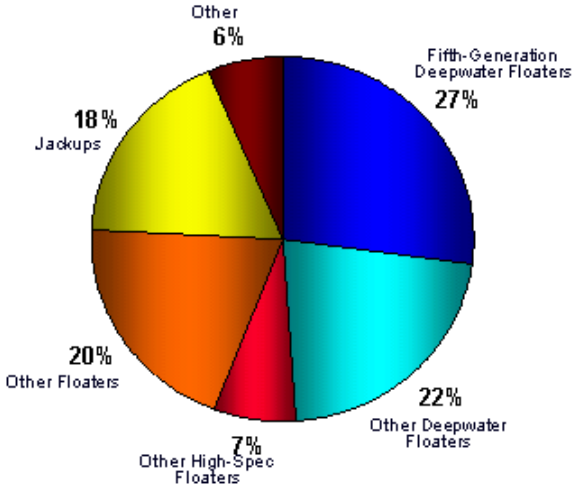
Robert L. Long
President & CEO

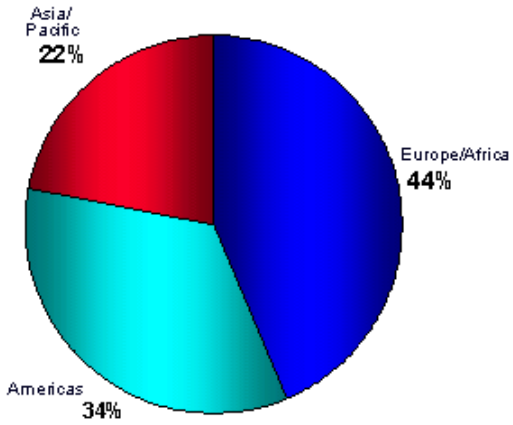
Company Overview
Areas of Strategic Focus



Revenues by Source



By Asset Type



By Geographic Location

Total Revenues at June 30, 2006
$1,670.6 Million

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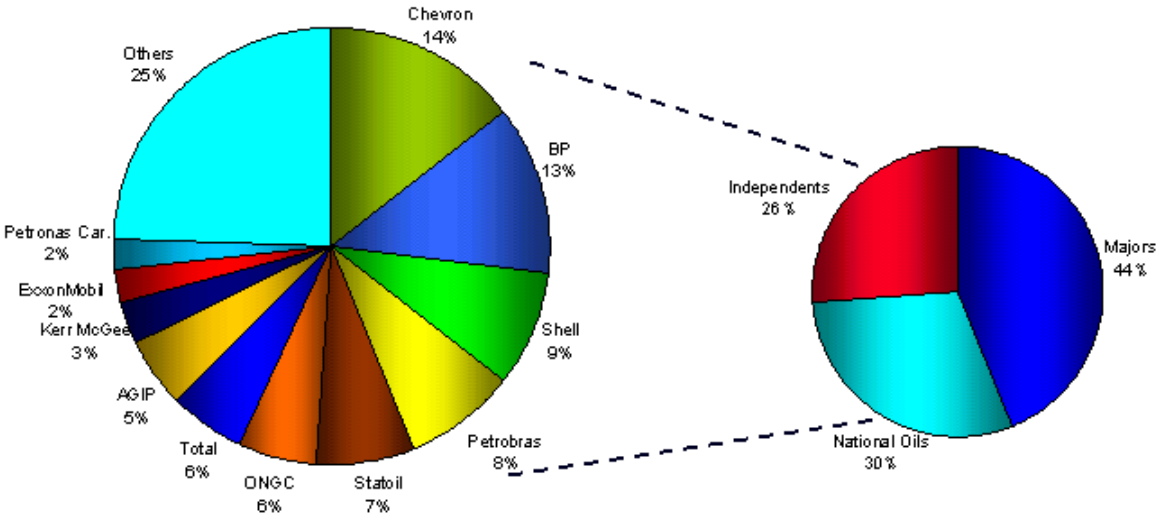
Revenues by Major Customer



Total Revenues for the Six Months Ended June 30, 2006
$1,670.6 Million

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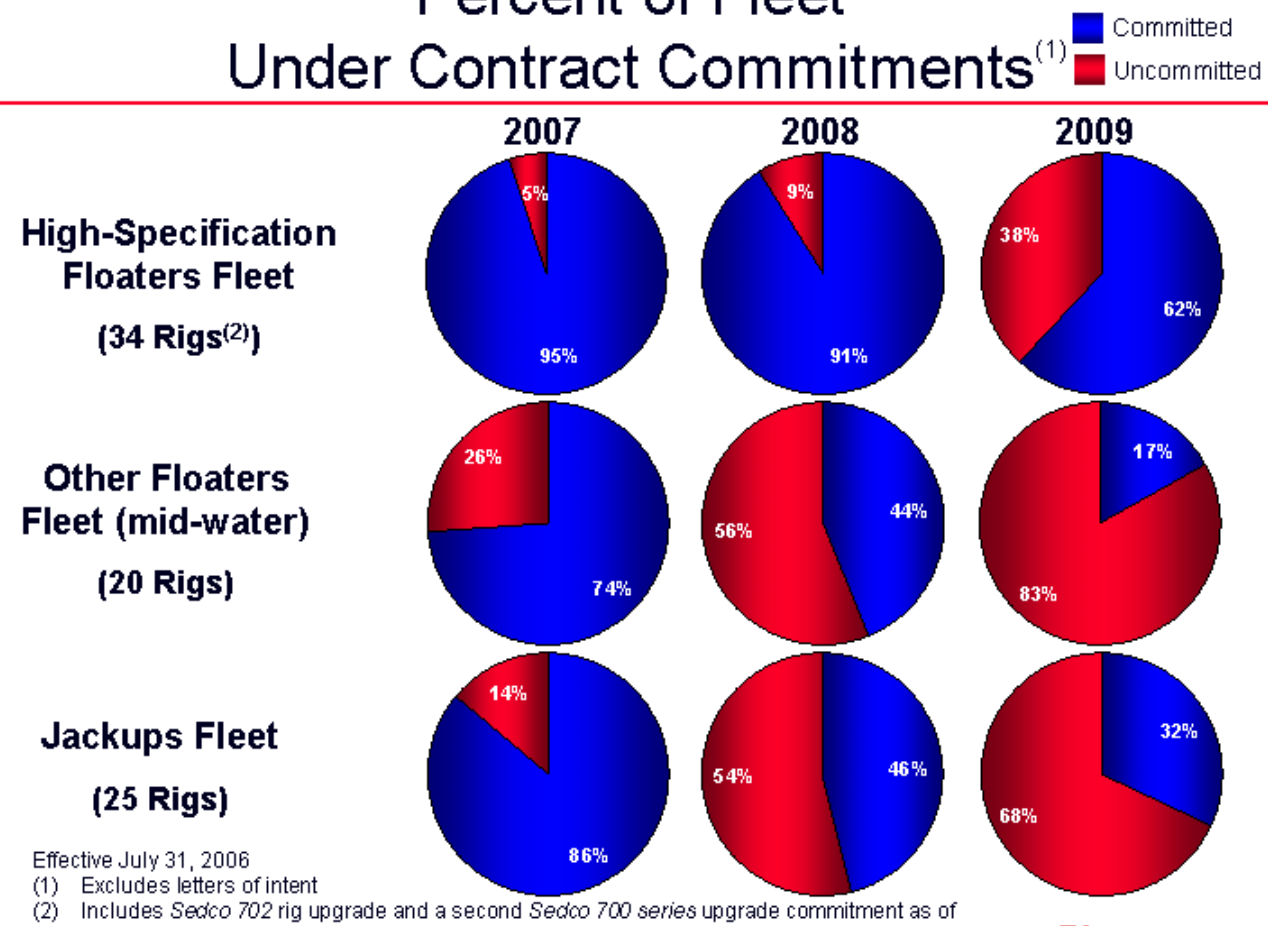
Percent of Fleet Under Contract Commitments[1]



Effective July 31, 2006

(1) Excludes letters of intent

(2) Includes *Sedco 702* rig upgrade and a second *Sedco 700 series* upgrade commitment as of expected delivery date. The *Sedco 702* upgrade is expected to enter service by October 2007, while the second *Sedco 700 series* upgrade is expected to enter service by July 2008.

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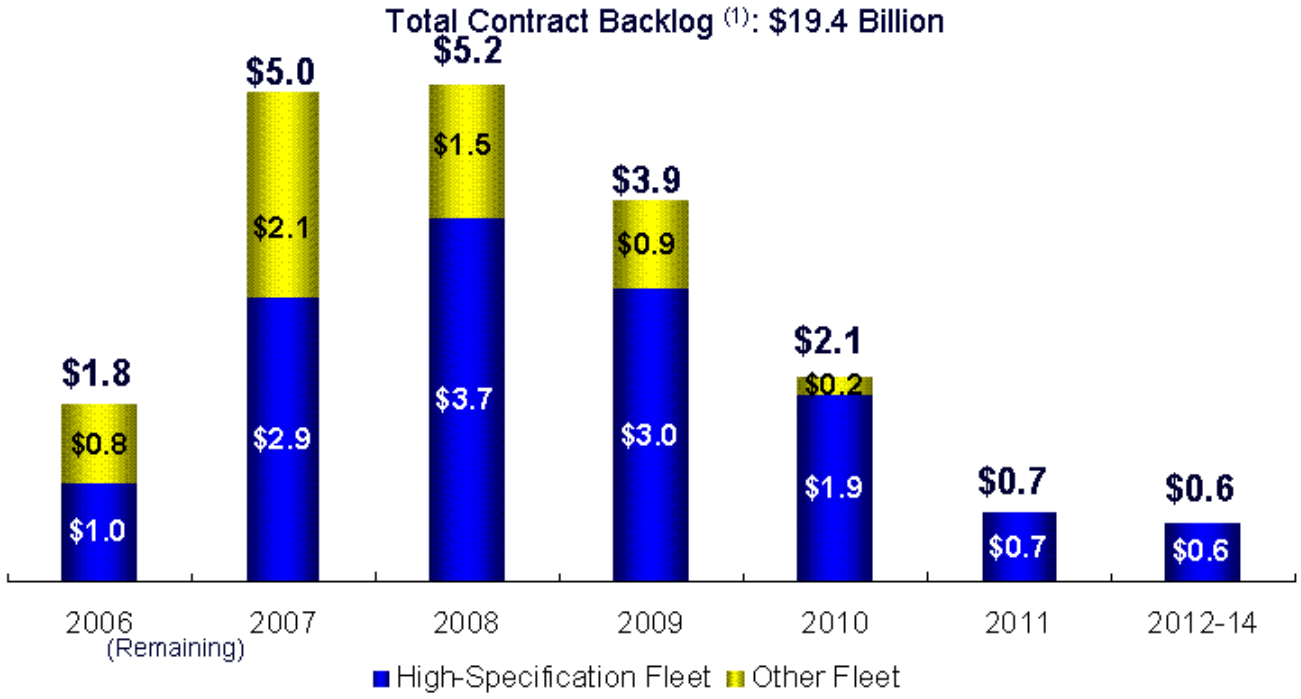
Contract Backlog[(1)] By Year
at July 31, 2006



(1) Calculated by multiplying the contracted operating dayrate by the firm contract period from July 31, 2006 forward. Reflects firm commitments typically represented by signed contracts. Contract backlog excludes revenues from mobilization, demobilization, contract preparation and customer reimbursables. Backlog is indicative of the full contractual dayrate, which could vary due to rig downtime.

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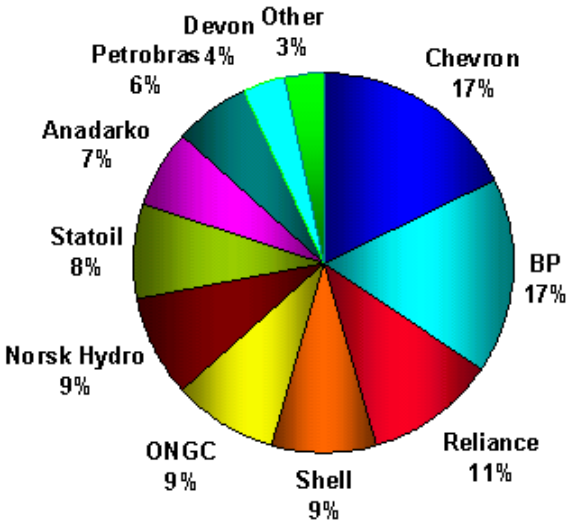
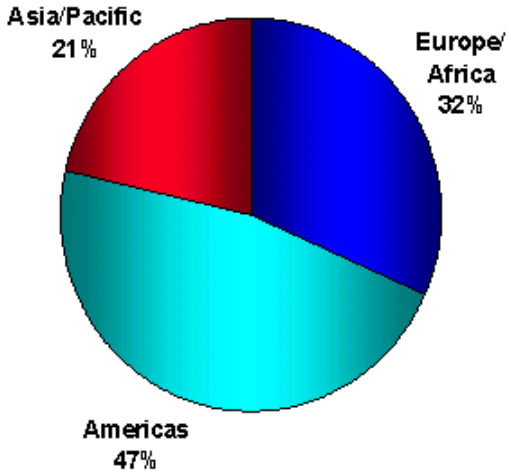
Contract Backlog



By Customer



By Region

Contract Backlog at July 31, 2006
$19.4 Billion

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Areas of Strategic Focus

- Focus on execution and continuous improvement
  - Safety

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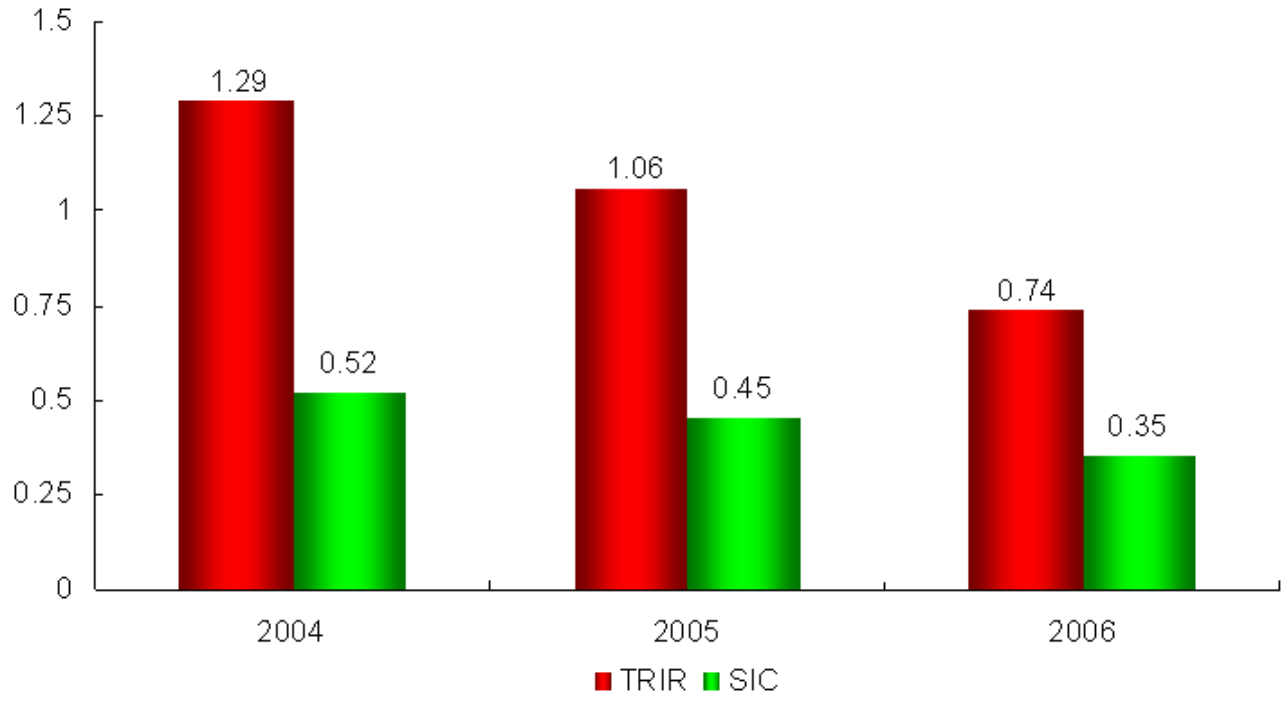
TRIR / SIC 2004 – YTD June 2006



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Comments on Market Outlook

- Activity level remains strong in all segments of the fleet with dayrates trending higher
- Deepwater sector offers exceptional opportunities
  - Represents significant source of potential reserves
  - High exploration success, large development projects
  - Near-term shortage of capacity
- Mid-water floater market aided by strong deepwater segment
  - Strong North Sea operator demand
  - Dayrates improving - $350,000+
- Jackup market remains robust over near-term
  - Numerous multi-year opportunities – India, Arabian Gulf
  - Dayrates improving - $170,000 – 200,000+
  - Some new capacity finding contracts

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Areas of Strategic Focus

- Focus on execution and continuous improvement
  - Safety
  - Reducing out-of-service time
  - Improving efficiency (performance culture)

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Areas of Strategic Focus

- Focus on execution and continuous improvement
  - Safety
  - Reducing out-of-service time
  - Improving efficiency (performance culture)
- Maintain significant size with positions in both floaters and jackup rigs

Transocean

Areas of Strategic Focus

- Focus on execution and continuous improvement
  - Safety
  - Reducing out-of-service time
  - Improving efficiency (performance culture)
- Maintain significant size with positions in both floaters and jackup rigs
- Focus on high-end offshore drilling and well construction services
  - Reduce exposure to assets which are significantly limited by technical, geographic or age considerations (e.g., barges, tenders, shallow water jackups, second-generation floaters)

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Divestiture of Assets
Experience Over The Past 12 Months

Closed Transactions:

Land *Rig 34*

Jackup Rig *Jupiter*

Drillship *Peregrine III*

Platform *Rig #1*

Semi *Explorer*

Searex XII

Pending Transactions [1]:

Semi *Wildcat*

4 Tender Rigs

Searex VI

Estimated Net Proceeds ≈ $500 Million

(1) Expected close before year-end 2006.

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Areas of Strategic Focus

- Lead the industry in development and ownership of the most advanced and technically capable rigs
  - *Discoverer Clear Leader*

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Areas of Strategic Focus

- Lead the industry in development and ownership of the most advanced and technically capable rigs
  - *Discoverer Clear Leader* design
- Seek growth opportunities
  - Through consolidation with the primary goal being to acquire modern technically competitive assets
  - Through the development or adaptation of enabling technologies that will expand the opportunities for drilling
  - Through the addition of capacity supported by contracts

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Areas of Strategic Focus

- Lead the industry in development and ownership of the most advanced and technically capable rigs
  - *Discoverer Clear Leader* design
- Seek growth opportunities
  - Through consolidation with the primary goal being to acquire modern technically competitive assets
  - Through the development or adaptation of enabling technologies that will expand the opportunities for drilling
  - Through the addition of capacity supported by contracts
- Maintain a solid investment grade rating and financial flexibility to fund potential growth opportunities
  - Return excess cash to shareholders
  - Build cash prior to downcycle

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Use of Free Cash Flow

- Invest for growth
- Return excess cash to shareholders
- Preference toward stock repurchase
  - Shares purchased to date – 19.0 million
  - Remaining authorization $2.6 billion
- RLL opinion – Share price does not reflect the value created by our backlog

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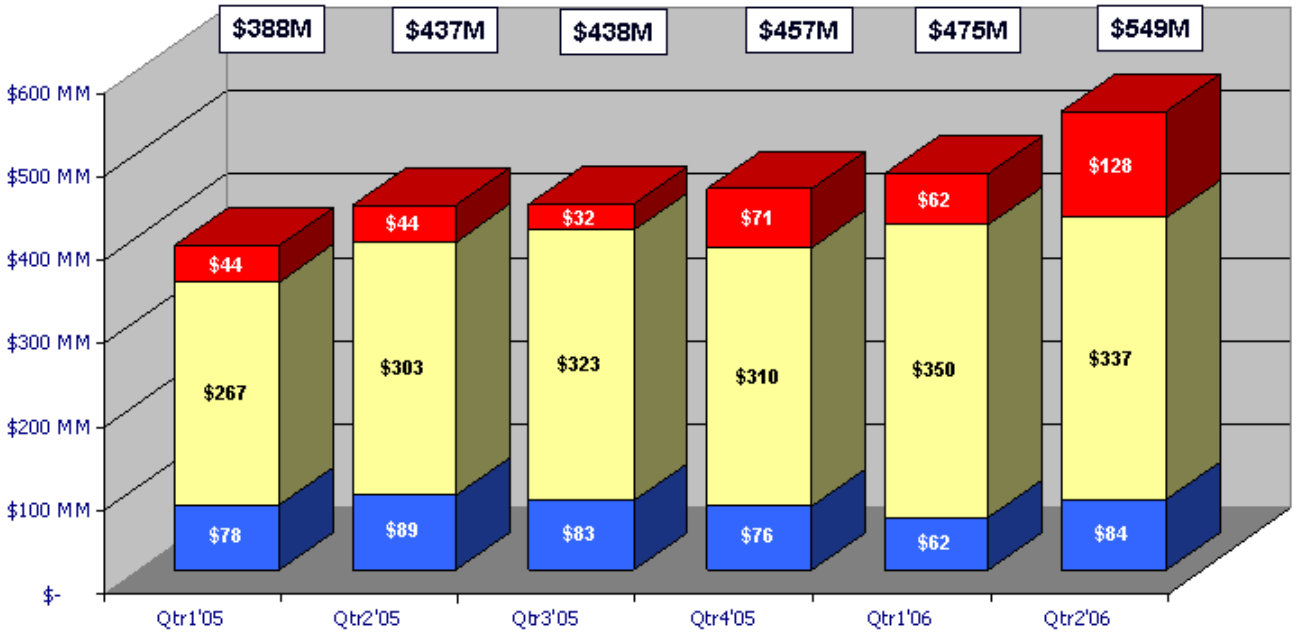
Gregory L. Cauthen
S.V.P & CFO

Financial Review



Operating and Maintenance Costs



Expenses incurred on High Specification Floaters, Other Floaters and Jackups "out of service "

Expenses incurred on High Specification Floaters, Other Floaters and Jackups "in service "

Expenses incured on Other rigs and Shorebase Support

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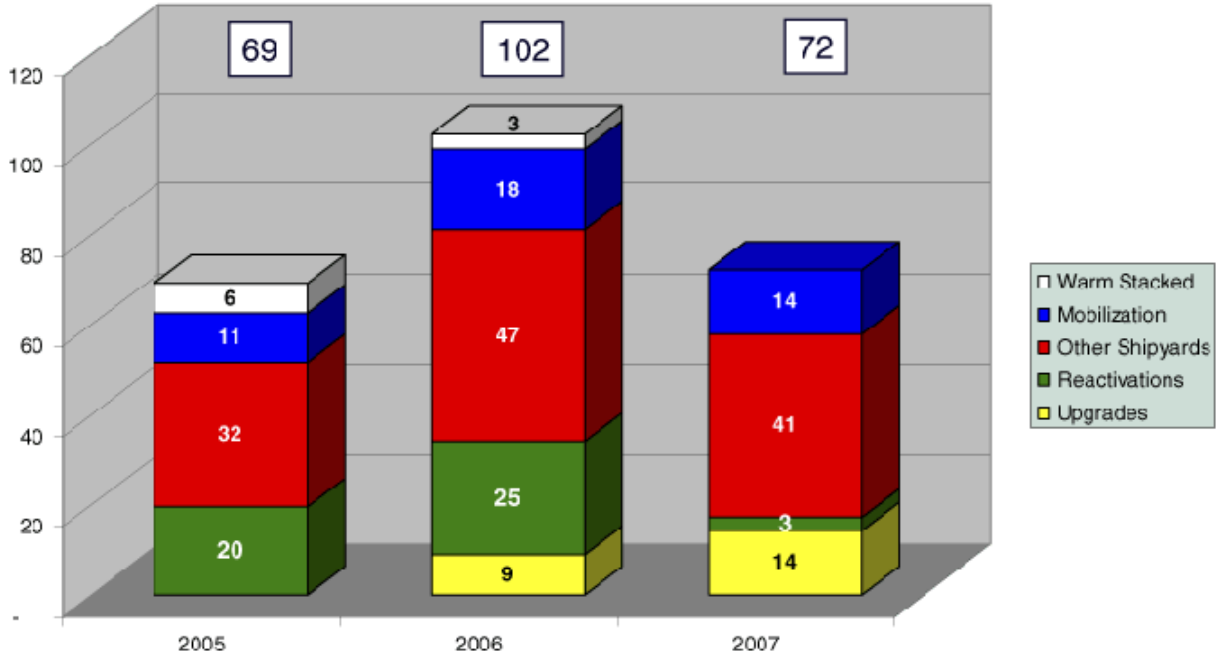
Out of Service Time Peaks in 2006



- Rig Months Out of Service
  (Excluding Cold Stacked Units and 2 new builds)

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Daily Costs of Operating Rigs

	H1 2005	H2 2005	H1 2006	
High Spec. Floaters	$ 71	$ 75	$ 81	+15%
Other Floaters	$ 42	$ 46	$ 47	+11%
JackUps	$ 26	$ 26	$ 28	+8%
Average	$ 48	$ 51	$ 54	+14%

- Daily Operating Costs when a rig is in service

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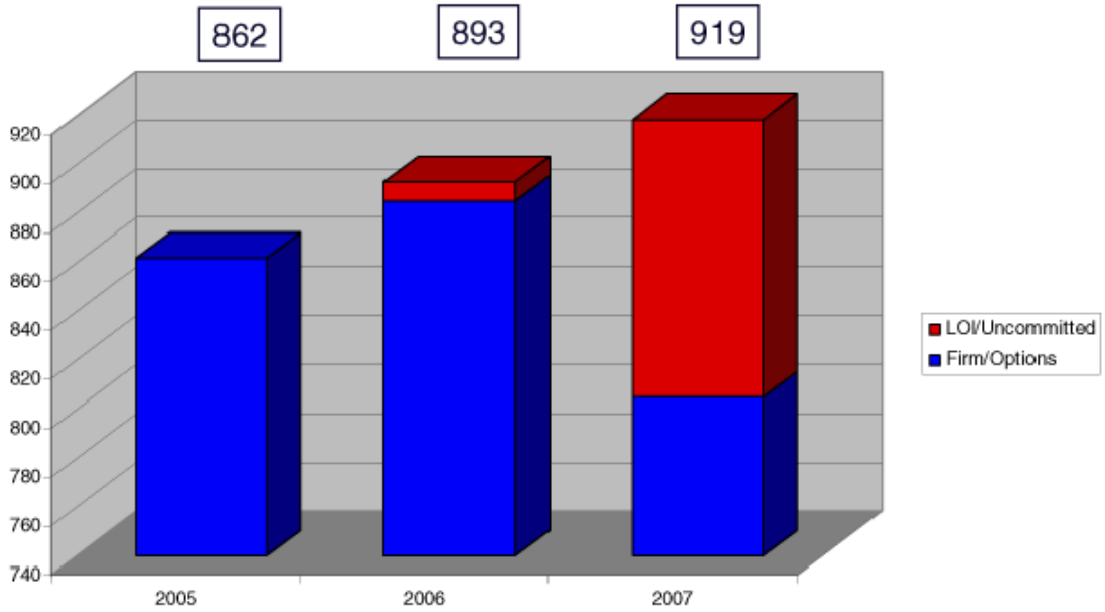
Active Rig Months 2005-2008



- Rig months in service time increases as more rigs are reactivated and placed in service and other shipyard activities decrease

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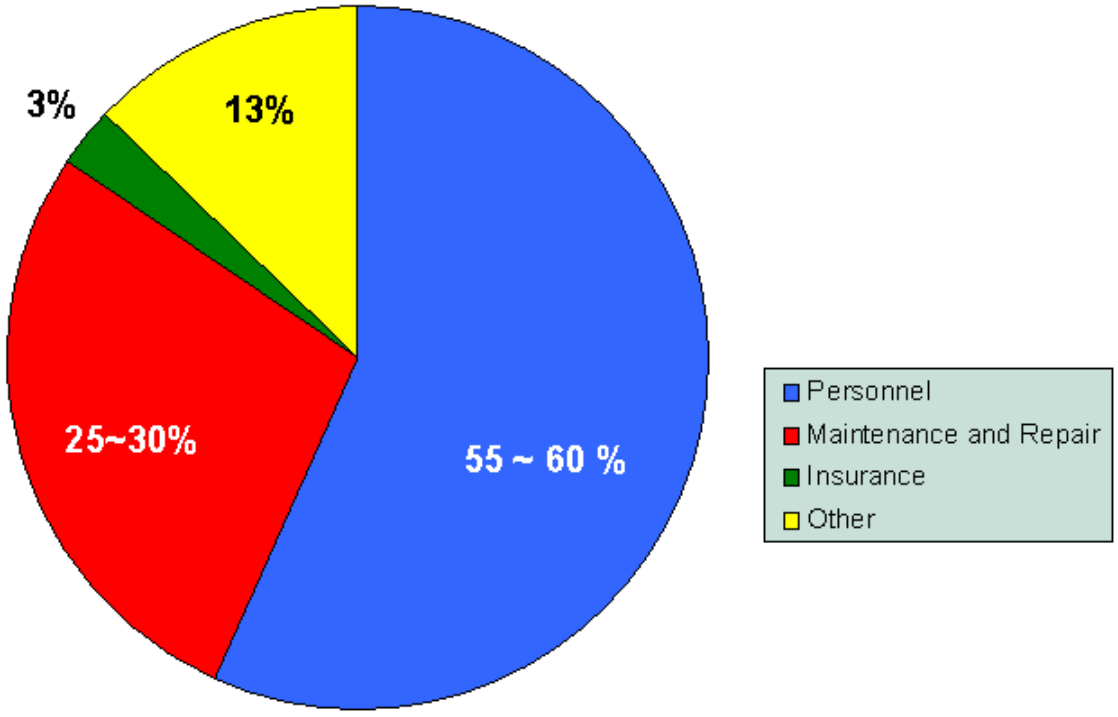
Operating and Maintenance Expenses

Breakdown by major categories : Based on 2004-2006 trend



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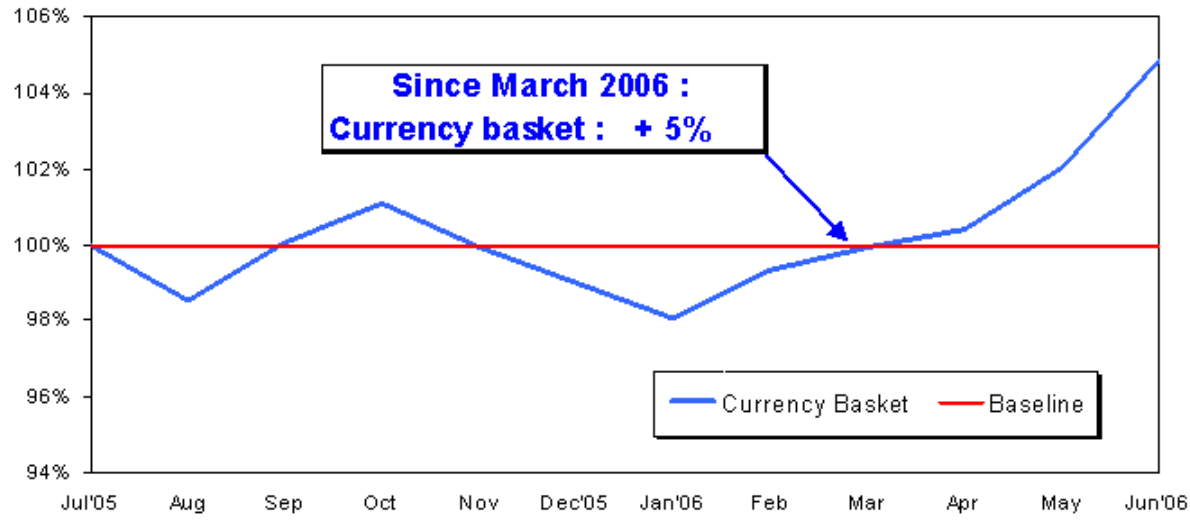
Foreign Exchange Impact



- "Basket" includes British Pound, Norwegian Krone, Brazil Real, Euro and Indian Ruppee.
- Impacts revenue and costs
- 5% change = $30 million per year approximately
- Marginal net income impact

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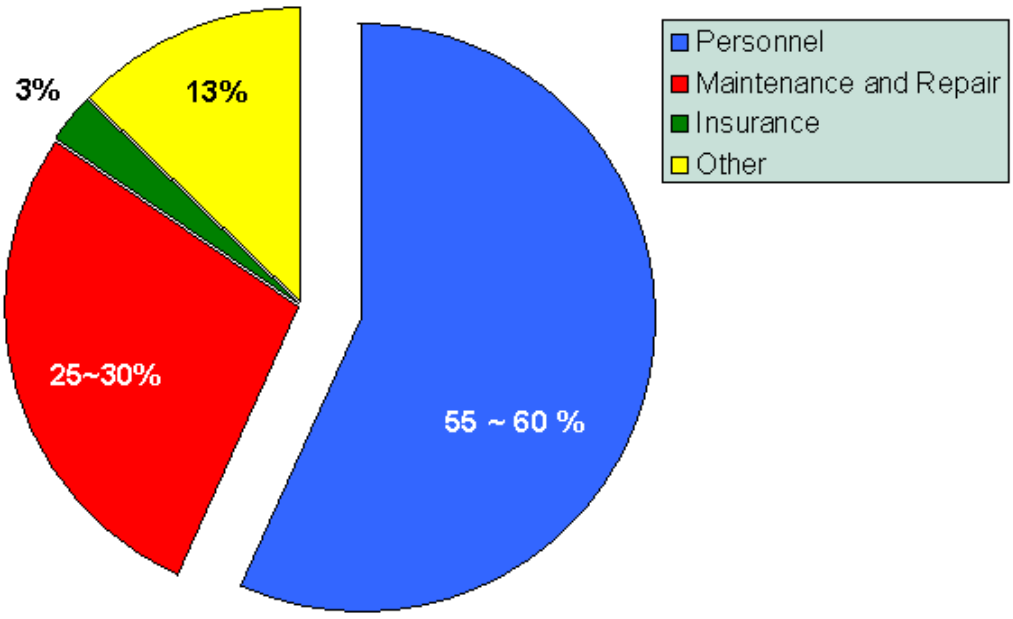
Personnel Expenses

Breakdown by major categories : Based on 2004-2006 trend



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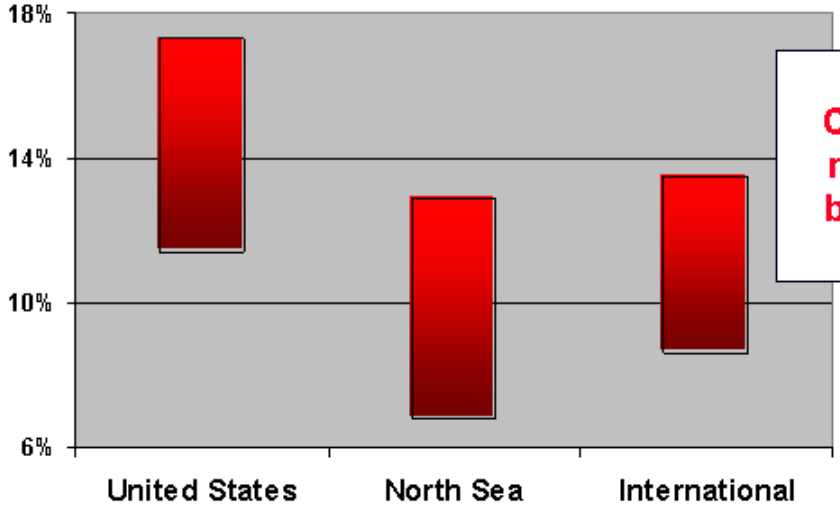
Market Personnel Cost Increases



Since April 2005 Compensation increase ranged from 7% to 17% based on positions and markets (1)

- General inflation and wage increases
- Increasing competition

(1) : Source : Independent Market Survey

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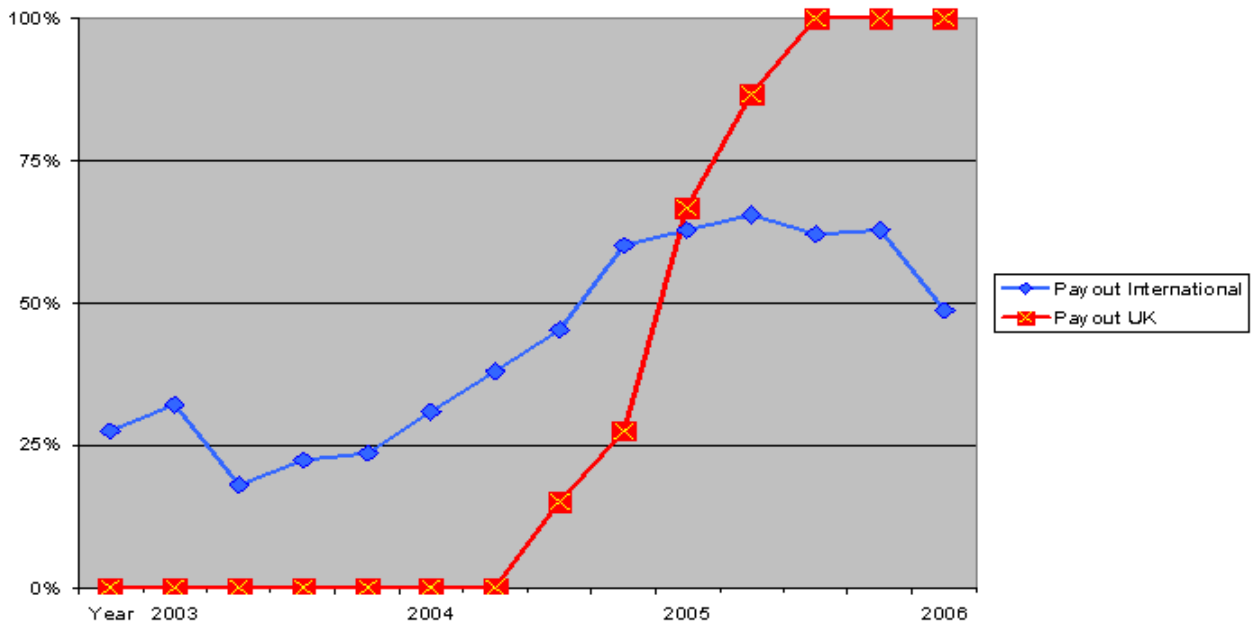
Variable Pay Element



- Payout as a % of total variable element opportunity
- Used in North Sea and Internationally
- Variable compensation based on dayrate and utilization

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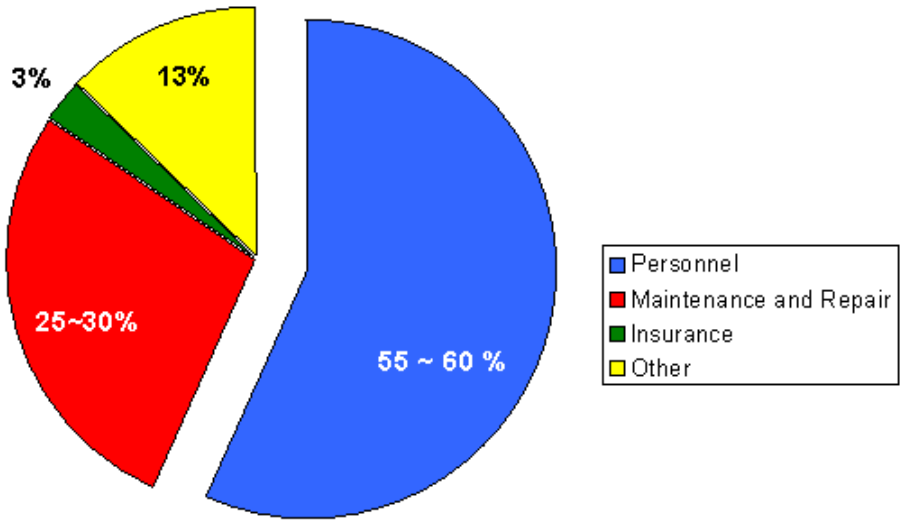
Maintenance and Repair Expenses

Breakdown by major categories : Based on 2004-2006 trend



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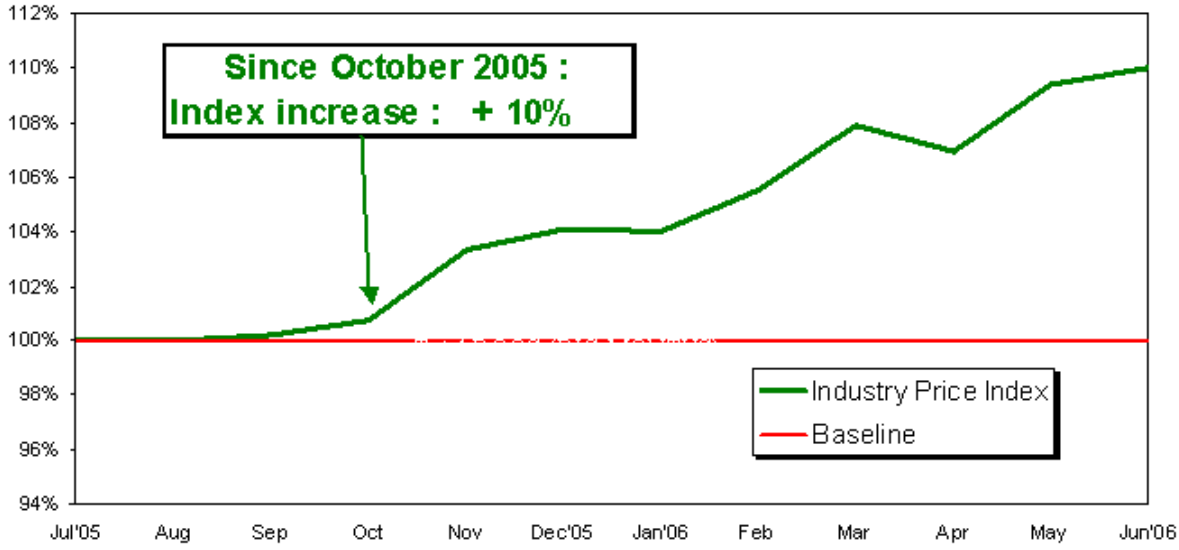
Maintenance Cost Increases



- Acceleration in price of Drilling Equipment based on US published index (1)

(1) : US Bureau of Statistics Producer Price Index :

Rotary Drilling Equipment
Non Rotary Drilling Equipment
Oilfield Services Equipment

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Maintenance Cost Variability

- **Timing of maintenance projects**
  - Budget cycle
  - Progress of well
  - Vendor delays
- **Accounting for maintenance projects**
  - Steel replacement is expensed
  - Paint projects are expensed
  - Equipment overhaul is expensed
  - Only new equipment and upgrades are capitalized

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Accounting for Projects

- **Revenue**
  - Contract related upgrade revenue deferred
  - Mobilization revenue deferred
- **Contract related costs**
  - Repair and maintenance expensed
  - Period cost such as depreciation and insurance expensed
  - Other contract specific costs deferred
- **Other Shipyards**
  - Special Periodic Survey Expenses - deferred
  - New equipment and upgrades – capitalized
  - Most other costs expensed
    - Steel replacement
    - Paint
    - Equipment overhauls

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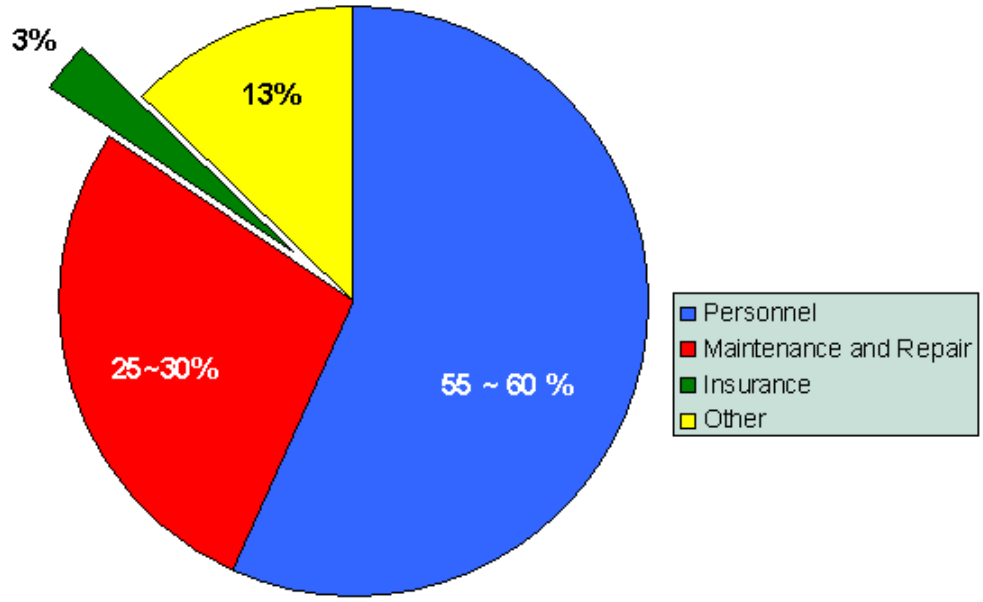
Insurance Expense

Breakdown by major categories : Based on 2004-2006 trend



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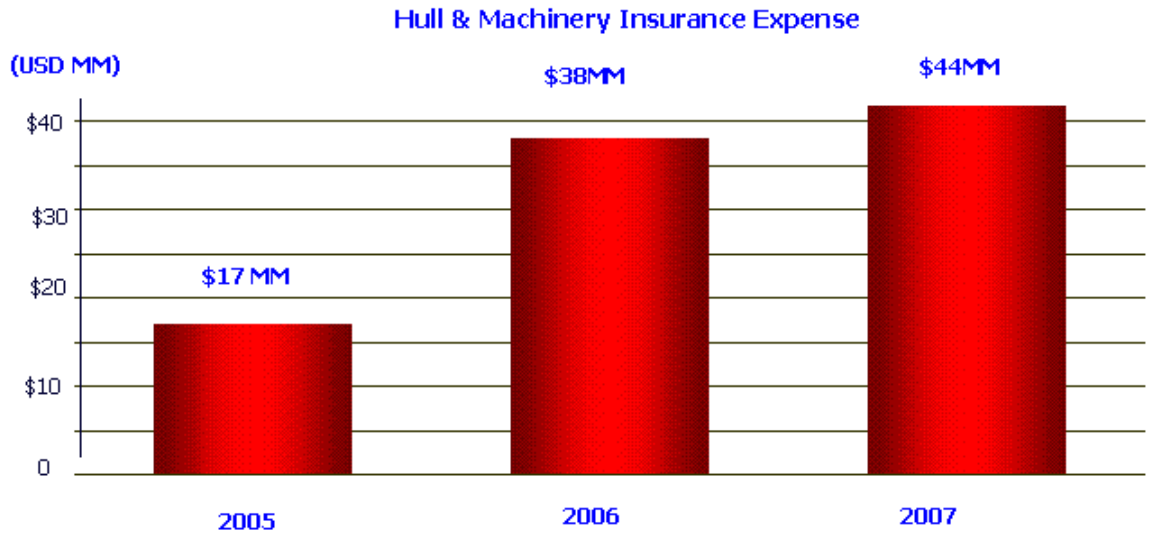
Insurance Expense



- 2004 and 2005 hurricanes impact insurance market in 2006
- US Gulf of Mexico hurricane losses capped at $250 million to $300 million

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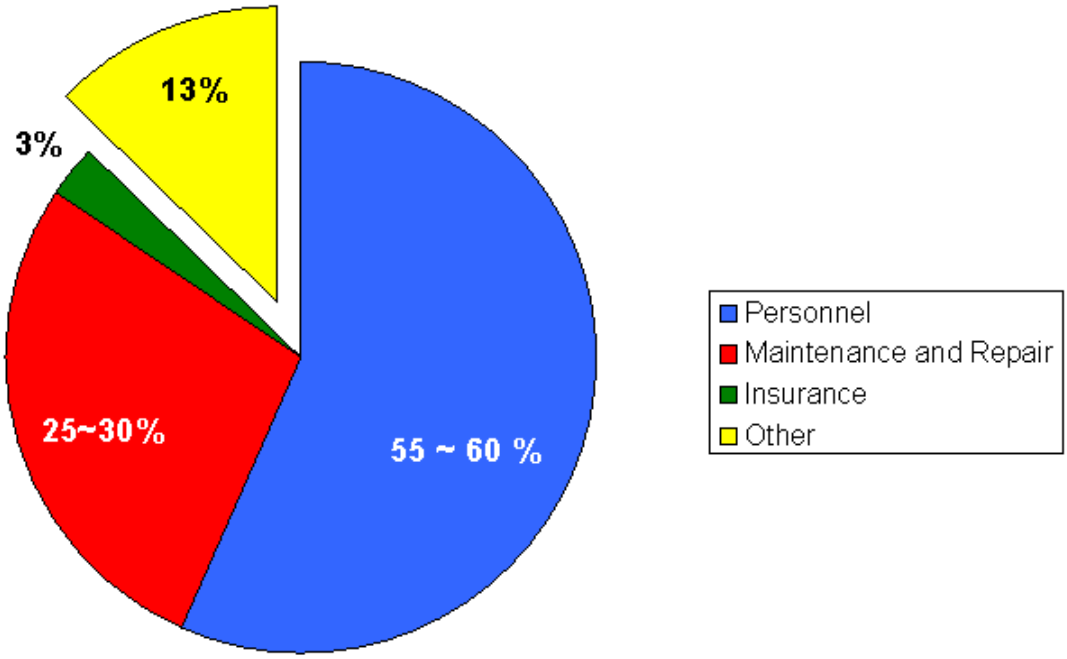
Other

Breakdown by major categories : Based on 2004-2006 trend



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Other Expenses

- Professional Services
- Integrated services related costs
  - Boats, Helicopters, services and equipment
- Expenses recharged to client
- Facility costs
- Equipment Rental
- Indirect Taxes

- Amortization and Deferral of contract preparation and mobilization costs

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Mitigation of Cost Increases

- **Cost control initiatives**
  - Asset management process
  - Shipyard management
  - Downtime reduction initiatives
- **Market limits cost mitigation:**
  - Capacity constraints limit leverage on suppliers
  - Risk of personnel attrition
  - Nationalization successes do not keep up with immediate growth
- **Contractual cost escalation provisions**
  - Approximately 1/3rd of our firm activity contains cost escalation provision
  - Personnel costs
  - Maintenance and supplies
  - Insurance costs (primarily in US Gulf of Mexico)

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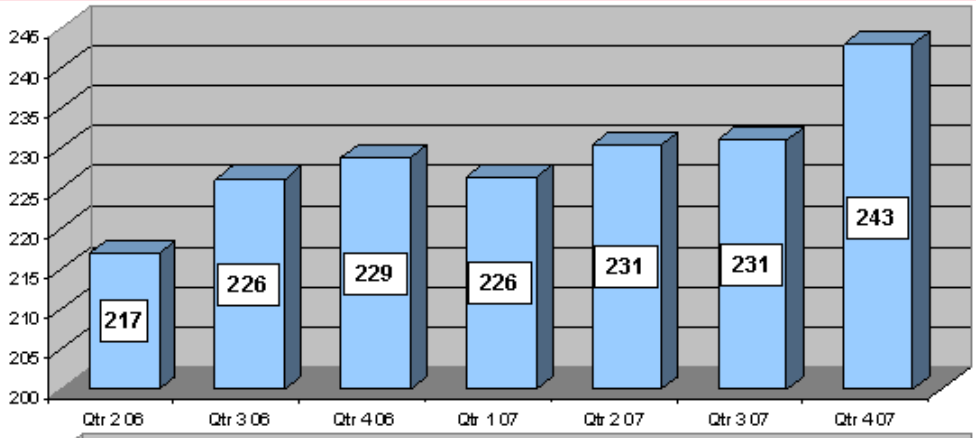
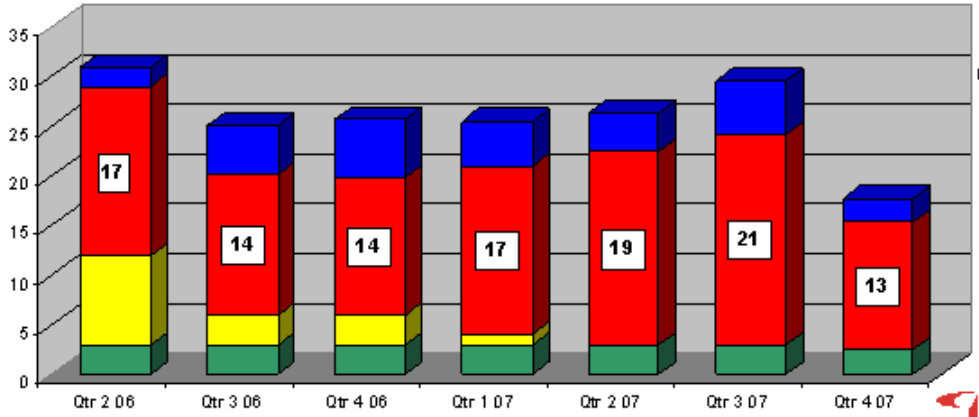
Next 6 Quarters : Activity Trend





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Summary

- **Daily operating cost increase expected to continue**
  - Recent data shows 10 to 15% on an annualized basis
  - Will continue to affect daily operating costs under current market conditions
- **Shipyard Costs**
  - Number of shipyard expected to decrease
  - Individual shipyard costs and time in shipyard expected to increase
- **Contractual protection**
  - Effective against foreign exchange variances
  - Some protection on cost escalation primarily in US Gulf of Mexico and Norway

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David J. Mullen
V.P. Americas Business Unit

Regional Outlook & Challenges

North & South America
Existing/Opportunities/Frontiers

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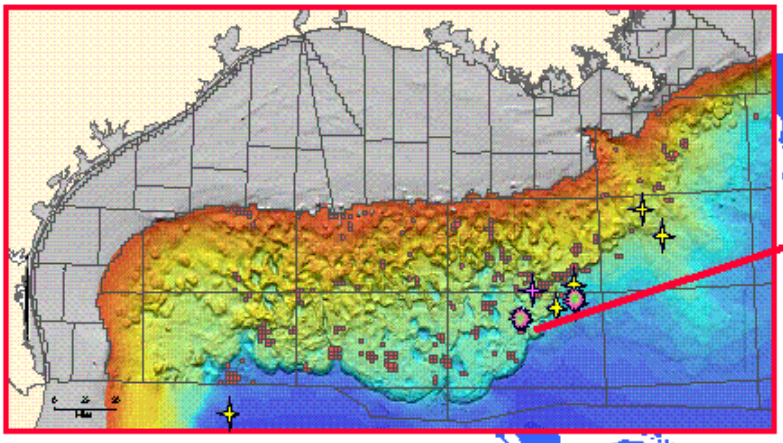
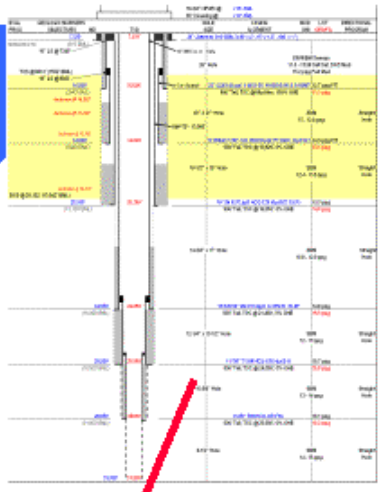
GoM mature deepwater Basins
leading edge technology



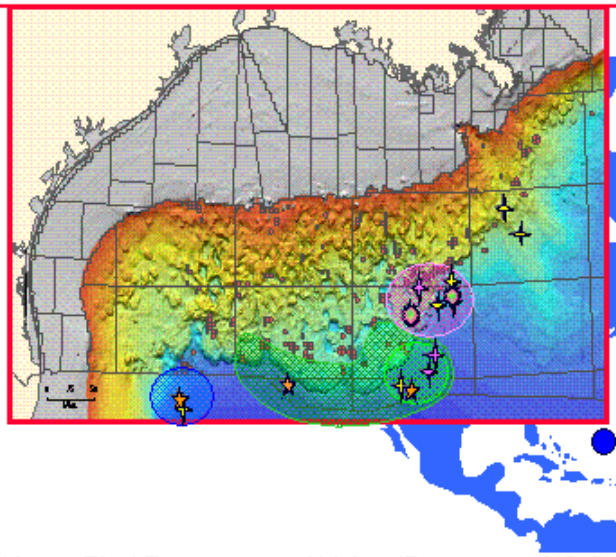


Transocean 5th Generation vessels

- 10,000' water depth
- 35,000' well depth
- Completion Activity Sensitive

Transocean

GoM - New Geological Frontier



Transocean New Builds
Enhanced Enterprise Class

- 10,000-12,000' water depth
- 40,000' well depth
- Improved Hex pumps
- Completion Activity Sensitive
- 2 Newbuilds Contracted

Yet-to-Find Reserves and Value (Deepwater US Gulf of Mexico Summary)

Basin	Number of Fields	Gross Oil Reserves (mmbbl)	Gross Gas Reserves (bcf)
West Gulf Coast (Tertiary)	163	9,408	43,432
East Gulf Coast (Tertiary)	148	11,729	33,868
Sabinas Rio Grand	25	2,509	3,561
Total	**336**	**23,646**	**80,861**

Source:: Wood Mackenzie

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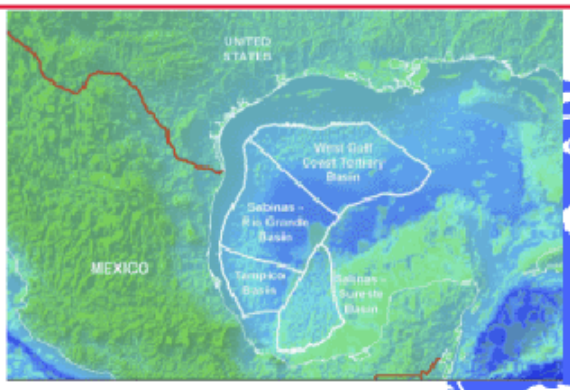
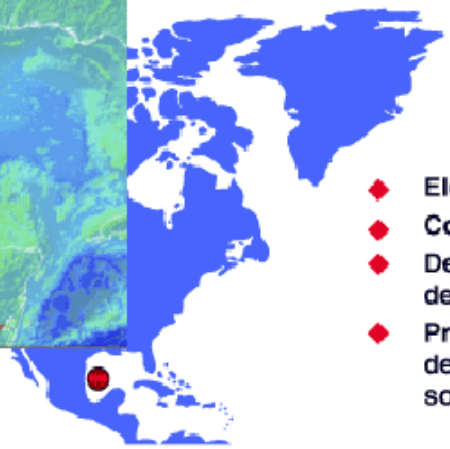
GoM (Mexico) DEEPWATER FRONTIERS-MEXICO





- Elections – Pro Energy
- Confirmation 09/06
- Deepwater Bids – delayed until 09/06
- Production declining deepwater only solution

Yet-to-Find Reserves and Value (Deepwater Mexico Summary)

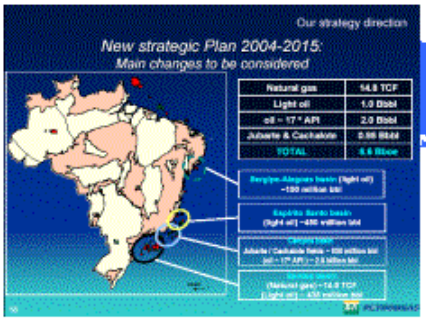
Basin	Number of Fields	Gross Oil Reserves (mmbbl)	Gross Gas Reserves (bcf)
West Gulf Coast (Tertiary)	32	4,329	2,397
Tampico	72	10,273	4,282
Sabinas Rio Grande	123	13,477	17,493
Salinas Sureste	64	9,037	1,150
Total	**291**	**37,116**	**25,322**

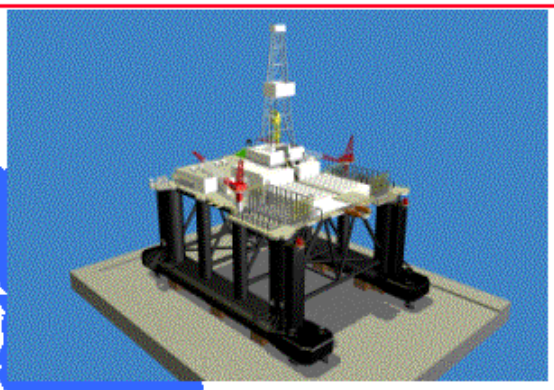
Source: Wood Mackenzie

Transocean

Brazil – Mature Deepwater Basin

Low Cost Deepwater Execution

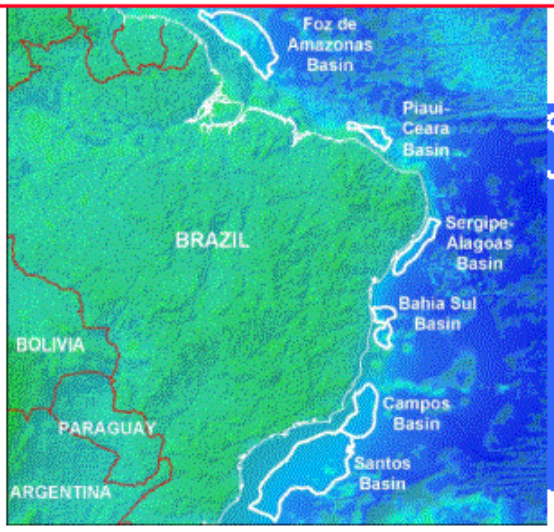




S700 Series DP Upgrade
– Enabling Technology Platform
- 6500' water depth
- 25000' well depth
- 1300 kip derricks/ 650T load path
- SBOP, MPD & UBD
- Basic Workhorse

Transocean

Brazil – New Deepwater Frontier



Yet-to-Find Reserves and Value (Brazil Summary)*

Basin	Number of Fields	Gross Oil Reserves (mmbbl)	Gross Gas Reserves (bcf)
Bahia Sul	3	196	-
Campos	52	8,817	-
Foz do Amazonas	2	198	-
Piaui Cieara	6	385	-
Santos	29	4,262	-
Sergipe Alagoas	15	689	-
Total	**107**	**14,547**	**-**

- Significant recent discoveries
  - UD Campos basin
  - Light Oil & Gas Santos Basin
  - Light Oil Espirito Santos

- Focused on Rig Fleet expansion
- Expanding as International player in deepwater markets
- Brazil New Deepwater Players
  - Devon
  - Chevron
  - Repsol
  - Shell

Source:: Wood Mackenzie

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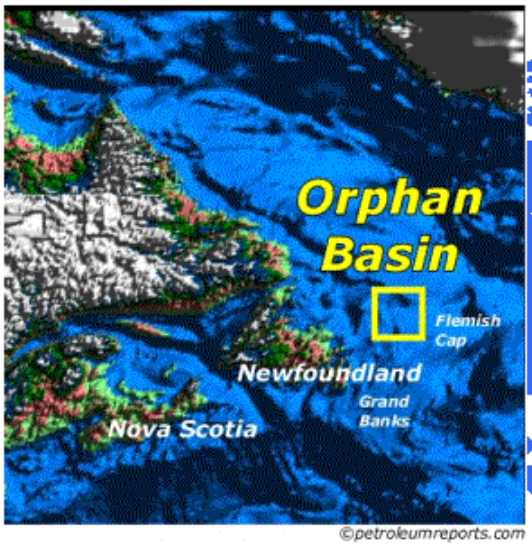
Unexplored Basins – Canada, Orphan Basin



- High expectation
  - 6-8 bbo estimated reserves
  - One of the largest un-drilled Geological structures
- Recently announced
  - 12 wells tbd
    - 2006 - 1 well
    - 2007-2013 – 11 wells
- Extreme harsh weather environment

Source:: Wood Mackenzie

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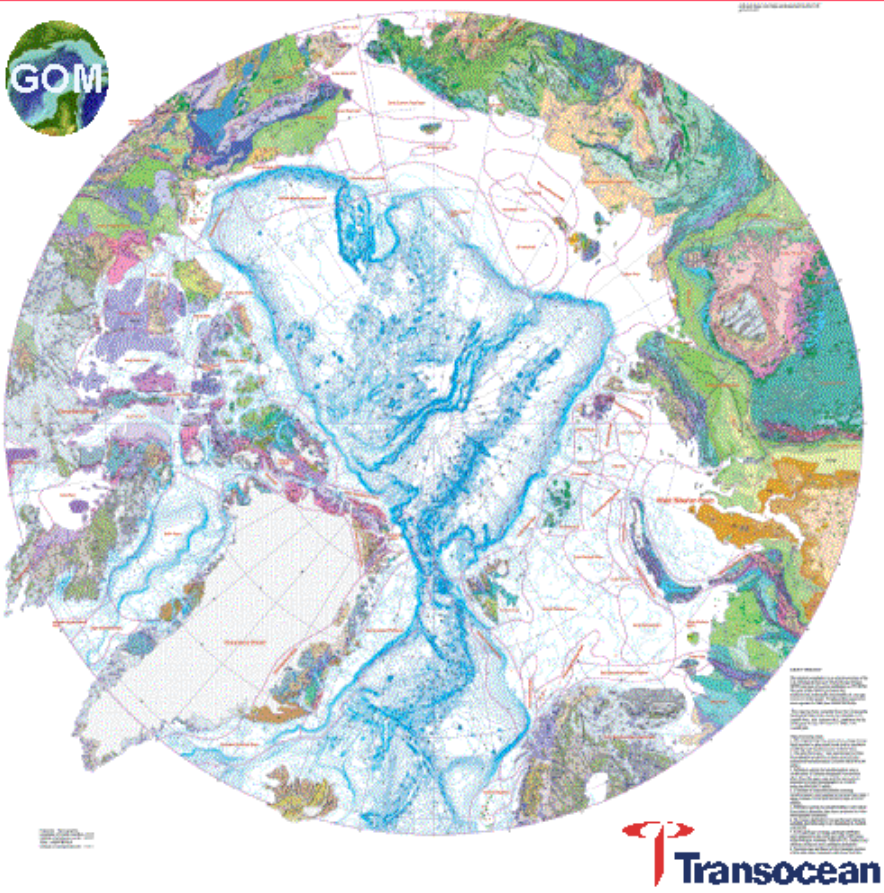
The Arctic – Unexplored Basins

- The Arctic shelf represents the largest under-explored area in the world
- Shelf area is 18 times that of the GoM
- Estimated 25% of Remaining Reserves world wide YTF (USGS, 2002)



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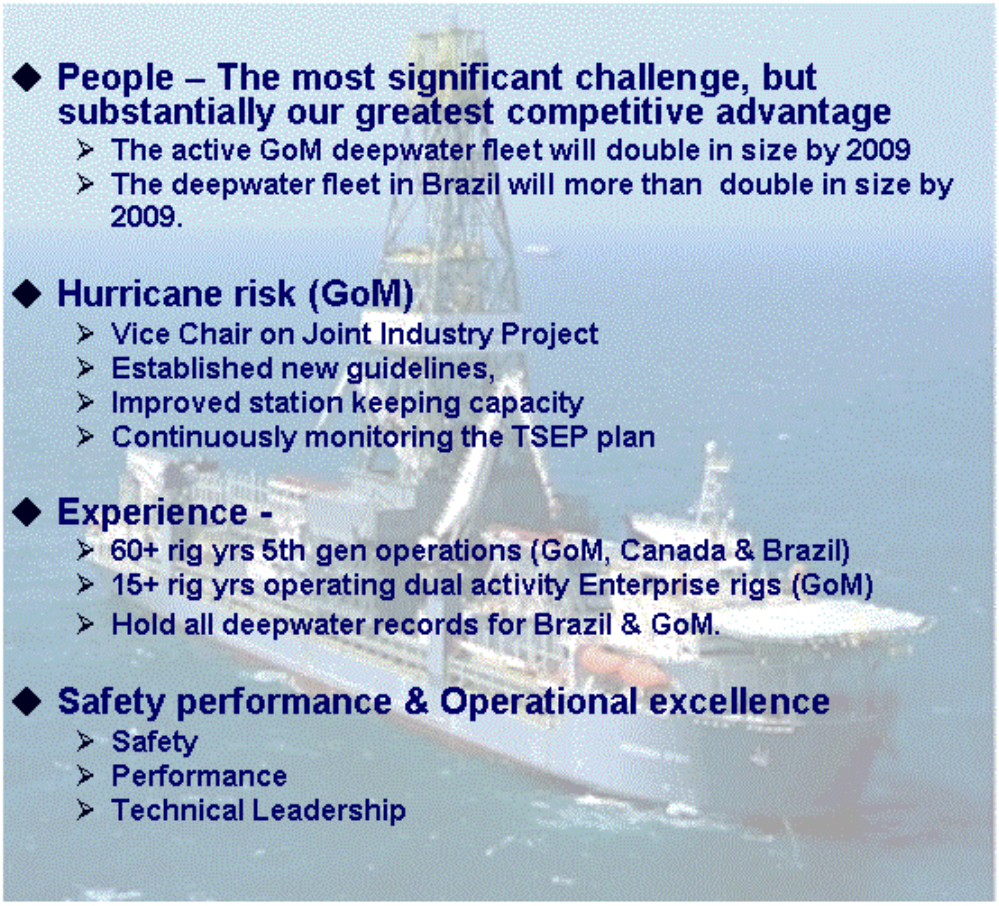
Key Challenges with unprecedented Growth



- **People – The most significant challenge, but substantially our greatest competitive advantage**
  - The active GoM deepwater fleet will double in size by 2009
  - The deepwater fleet in Brazil will more than double in size by 2009.
- **Hurricane risk (GoM)**
  - Vice Chair on Joint Industry Project
  - Established new guidelines,
  - Improved station keeping capacity
  - Continuously monitoring the TSEP plan
- **Experience -**
  - 60+ rig yrs 5th gen operations (GoM, Canada & Brazil)
  - 15+ rig yrs operating dual activity Enterprise rigs (GoM)
  - Hold all deepwater records for Brazil & GoM.
- **Safety performance & Operational excellence**
  - Safety
  - Performance
  - Technical Leadership

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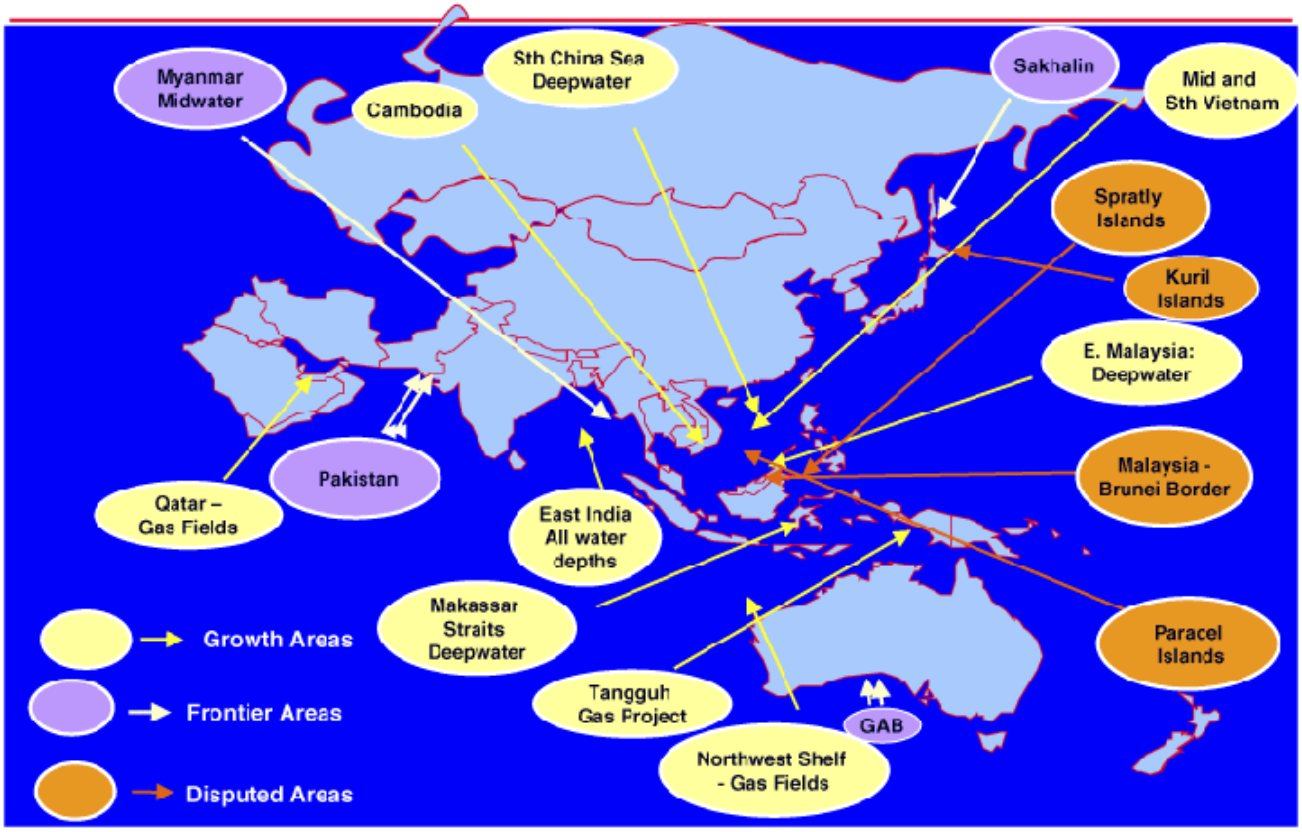
Ricardo Rosa
V.P Asia/Pacific Business Unit

Regional Outlook & Challenges


Growth, Frontier and Disputed Areas



APU'S Business Outlook

High-Specification 4,500 ft +

- **Development of viable discoveries in:**
  - India (Reliance – D6)
  - Malaysia (Murphy – Kikeh, Shell-Gumusut)
  - Indonesia (Chevron – Ranggas)
  - China (Husky – Block 29/26)
  - Australia (ExxonMobil – IO Jansz)
- **Emerging deepwater frontiers in Vietnam and Indonesia (E. Kalimantan)**
- **Drilling activity on various prospects pending resolution of border disputes:**
  - Malaysia and Brunei
  - Malaysia and Indonesia (Sabah vs E. Kalimantan)
  - Paracel and Spratly Islands (China, Malaysia, Vietnam, Philippines)
  - China and Japan (Kuril Islands)
- **Short term growth impeded by lack of contract term for scarce deepwater assets.**

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APU'S Business Outlook

Other Floaters (Mid-water) 400 ft to 4500 ft

- **Steady growth in demand since 2004 mainly driven by :**
  - **Australian gas field development,**
  - **exploration of India's east coast,**
  - **Sakhalin Island and Kamchatka Peninsula.**
- **Trend towards larger rigs capable of drilling in excess of 3,000' water depths with higher VDL for development drilling.**
- **Day-rates strengthened significantly from less than $100,000 in 2004 to above $400,000 in 2006**
- **Demand continues to attract newcomers and re-activations.**
- **Market is still marginally under-supplied.**

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APU'S Business Outlook

Jackup Rigs

- Strong economic growth in China and India has stimulated increased exploration and development activity in India and South East Asia by NOC's and independents.
- Arabian Gulf continues to benefit from increased offshore activity by Saudi Aramco and the development of Qatar's giant gas field.
- Day-rates have risen from $50,000 in 2004 to over $200,000 in S. E. Asia in 2006.
- Lower day-rates in Gulf of Mexico plus lack of hurricane insurance has encouraged exodus to Arabian Gulf by established drilling contractors.
- New-build owners expected to bid actively in Arabian Gulf, India and S.E. Asia due to:
  - 75% of new-builds being under construction in nearby Asian yards;
  - lack of hurricane insurance in Gulf of Mexico;
  - security and logistical challenges in Africa.

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Emerging Opportunities and Technical Advantages

Integrated Services

- Provides customers (mainly NOC's) opportunity to obtain technology and expertise that they may not possess in house.
- Transocean provides drilling, air & sea logistics and down-hole services using sub-contractors or consortium partners.
- Pricing based on day-rates and incentives, not turnkey.
- Transocean offers I.S. to gain or retain competitive advantage.

Off- Line Handling Capability

- Shortens well-construction times in high day-rate environment.
- Improve competitive position relative to new-build jackups.

Managed Pressure Drilling and Surface BOP

- Drilling techniques designed to improve rate of penetration and well-productivity

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APU – Current and Future Challenges

- Competition from new-build jack ups in '07 and '08 :
  - Rig pricing and utilization
  - Attrition of industry specialists – e.g. drillers and tool-pushers
- Maintenance of Safety standards despite higher crew turnover
- Increased investment in Recruitment, Development and Retention of crews.
- Potential dilution of management resources.
- Growth of regional drilling contractors with preferential treatment from host governments.
- Lack of capacity and deteriorating safety environment in shipyards.
- Rising costs of spare parts and deteriorating quality of maintenance services.

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Transocean APU – The Future

- **Economic fundamentals are very positive :**
  - **Increasing demand for energy driven by growth in China (10% p.a.) and India (7% p.a.);**
  - **Growing domestic and overseas investment by NOC's in region;**
  - **New frontiers being opened in deepwater;**
  - **Energy imperatives will encourage compromise on disputed areas.**
- **Transocean APU is well-positioned to profitably exploit growth opportunities:**
  - **Largest contractor in India and S.E. Asia with wide client base;**
  - **Pioneer in floater operations in harsh environments;**
  - **Contractor with proven deep water credentials;**
  - **Leader in Integrated Services;**
  - **Reliable partner in applying technical innovations.**
- **Transocean APU has operating leverage through :**
  - **Mature infrastructure with talented managers from target countries.**
  - **Critical mass in key countries offering career opportunities for well – qualified nationals.**
  - **Cost reduction via nationalization and local sourcing.**

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Jean P. Cahuzac
E.V.P & COO

Operational Priorities
Europe/Africa
Regional Outlook & Challenges

Operational Priorities

- Cost control & project execution
- Personnel

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Cost Control

- Continuously operating rigs (no shipyard)
  - Within budget / forecast once corrected with inflation on personnel, spares, services and exchange rate impact.
  - Continue line management focus (Processes are in place)
  - Inflation likely to remain above 10 % due to market conditions.
- Higher risk remains with shipyards and rig upgrade projects.

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Shipyards

- New builds "Clear Leader 1 & 2
  - Proven design the Enterprise Class
  - One Performing Shipyard
    - DSME in Korea
    - Lump sum contract
  - Transocean dedicated team to monitor progress and work with suppliers
  - In house expertise in all key areas (130 permanent staff in engineering)

Still early stage of the project, but on time and on budget

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Shipyards

Upgrades to deepwater 702 & 706

- Proven design similar to 707
- Shipyard FELS in Singapore & Rotterdam
- Transocean dedicated team to monitor progress and work with suppliers
- Expected delivery
  - 702 October 2007
  - 706 July 2008

Progress as per plan and budget

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Shipyards

Rigs reactivation — C Kirk Rhein / Winner / Prospect

- Our biggest challenge in 2006
  - Total expected cost — M$ 205
- All projects will be completed by Q1 2007
  - C Kirk Rhein — Shipyard Dec 06 / spud Q1 07
  - Prospect — Aug 06
  - Winner — Aug 06

No more rig reactivations in 2007 / 2008

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Shipyards

- Other shipyards **Special periodic surveys or contract specifics**

  - **Main challenges**
    - Suppliers quality control and delivery time
    - Cost inflation
    - Shipyard slots availability

  - **Actions taken**
    - Rig hardware assessment done for the whole fleet
    - Additional resources assigned to monitor suppliers progress
    - "Fit for purpose" approach – minimize scope of work as much as practical.

Progress made but still remain our near term main challenge

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People

- The most significant challenge, but a key competitive advantage for Transocean
  - Fleet critical mass
  - Very successful recruitment campaign started in 2004
    - Accelerated training program
    - Attractive career opportunities
    - Target low cost areas: Central Europe, Phillipines ..
    - Since Jan 2005 – hired 2,709 people (23 % of total workforce)
  - Good retention programs
    - 2005 attrition 7.5 % / 2006 attrition 6.8 %
  - Successful long term nationalization plan

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Fleet Activity

Regional Fleet	
5th Gen Deepwater	4
Other Deepwater	6
Other High-Spec	3
Other Floaters	12
Jackups	9
Other Rigs	3
	37

Employees	*4820*
National	74 %
Onshore	11 %

North Sea	
Other Deepwater	2
Other High-Spec	3
Other Floaters	10

Med	
Jackups	6

Africa	
5th Gen Deepwater	4
Other Deepwater	4
Other Floaters	2
Jackups	3
Other	3

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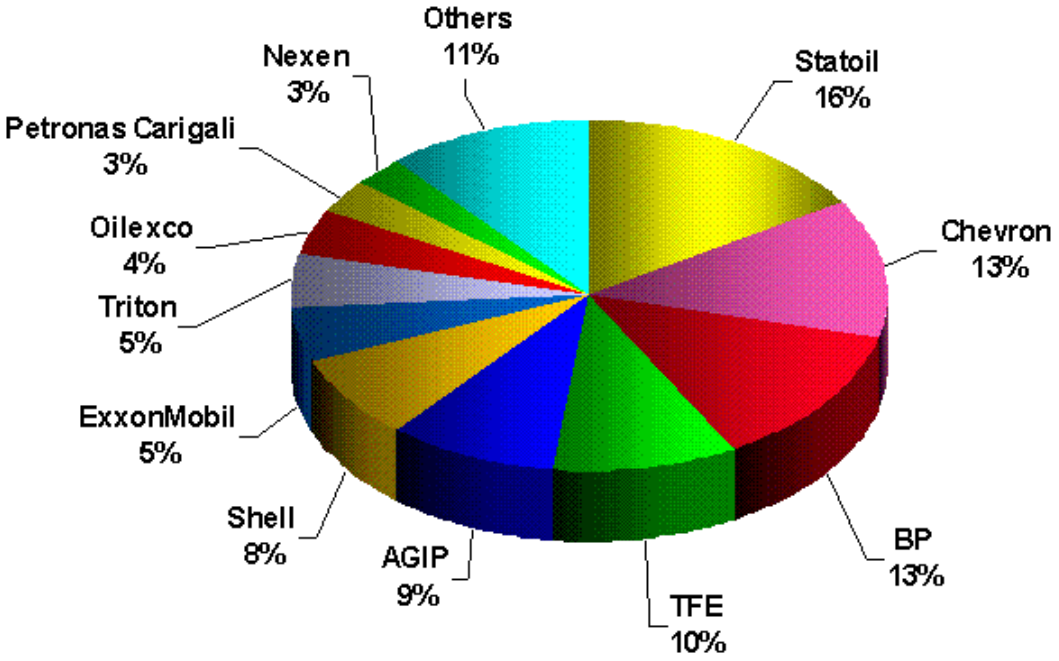
June 06 YTD Revenue by Client



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Key Role of National Oil Companies

- **National Oil Companies are playing a more and more important role in Africa**
  - Approve all rig selections in Nigeria & Angola
  - Some plan to become operators (Sonangol, …)
  - New comers : Chinese and Indian NOC

- **A competitive advantage for Transocean**
  - Very good relationship with NOC (long term presence in Africa)
  - Successful Nationalization plan
  - Technical leadership and operational expertise

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EAU Existing, Growth & New Frontiers

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EAU Business Outlook

Deepwater (4,500 ft +) and 5th Generation Units Market

- **High Profile Development Projects**
  - Angola : Total, Exxon Mobil, BP ... .
  - Nigeria : Chevron, Total , Shell
  - Ivory Coast :CNR
  - Nigerian: Usan (Total) - less than 4500 feet but 5th generation unit selected for efficiency
  - Infrastructure being installed on large field which will allow more marginal field developments
- **High level of Exploration / exploration success**
  - Egypt
  - Deeper water depth (Angola / Nigeria)
    - Consortium with both Majors and Independents
- **New Exploration areas**
  - Morocco / Mauritania / East Africa

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EAU Business Outlook

- **Deepwater (4,500 ft +) and 5th Generation Units Market**
  - Shortage of deep water units in 2007 / 2009
  - Some of the new build units will target Africa prospects but demand likely to increase further.
  - Market likely to remain very strong for foreseeable future

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EAU Business Outlook Mid Water

- **Mid water (400 ft – 4,500 ft)**
  - Very strong market in the North Sea driven by high commodity price
    - Undersupply in 2006 / 07
    - Transocean fleet fully reactivated by Q3 -2006
    - Rates $350,000 /$450,000

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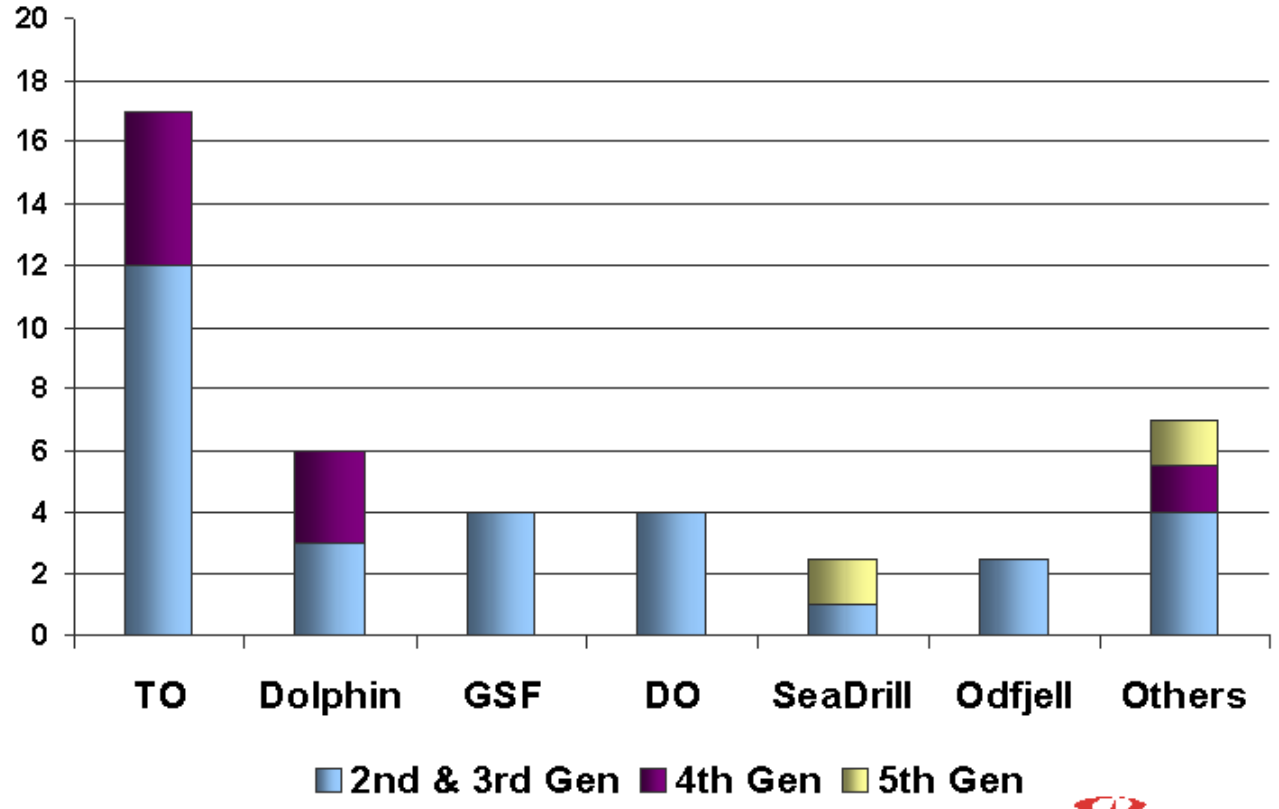
North Sea Floaters



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EAU Business Outlook

- **Mid water (400 ft – 4,500 ft)**
  - Very strong market in the North Sea driven by high commodity price
    - Undersupply in 2006 / 07
    - Transocean fleet fully reactivated by Q3 -2006
    - Rates evolution $350,000 /$450,000
  - West Africa market strengthening
    - Smaller market than the North Sea but more activity in particular in Nigeria
    - Undersupply with rising rates especially at high spec end of the market segment – rates evolution $350,000 /$400,000
    - May see rigs moving from the GOM (Hurricane risk)

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EAU Business Outlook

Harsh Environment — Norway

- **Mature fields development**
  - enhanced recovery with new down hole technology (Troll (Norsk Hydro), etc ...)
- **Renewed interest from majors and Independents**
  - longer term contract opportunities
- **Statoil / Hydro looking for additional rigs**
- **High cost of entry for new comers**
  - Regulations
  - Work force training
- **Rates evolution** $380,000 / $450,000

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EAU Business Outlook

- **Jackups**
  - **Transocean presence**
    - Med /
    - Gulf of Suez
    - West Africa
  - **Market expected to remain strong in 2006 / 2007**
  - **Rates $170,000 / $210,000**

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EAU - Regional Challenges

- **Political instability Niger Delta and Ivory Coast**
- **Industry challenges with Personnel in Norway**
- **Lack of quality shipyards in Africa**

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EAU – The Future

- **Market Trends are Very Positive**
  - Sustained activity in the North Sea with present commodity prices
  - Strong Jack-up market
  - More deepwater exploration and development projects.
- **Transocean Differentiation**
  - **Fleet**
    - Best suite of assets to cover main market segments
  - **Organization:**
    - Over 40 years presence in West Africa
    - Market driver through critical mass in UK
    - Long term presence Norway
    - Successful continued implementation of nationalization
  - **Technical:**
    - Technical leadership in ultra deep and deep water
    - Technical innovations; surface stack and slim riser drilling
  - **Strong Relationship with National Oil Companies**, Statoil, EGPC, ENI, NNPC & Sonangol

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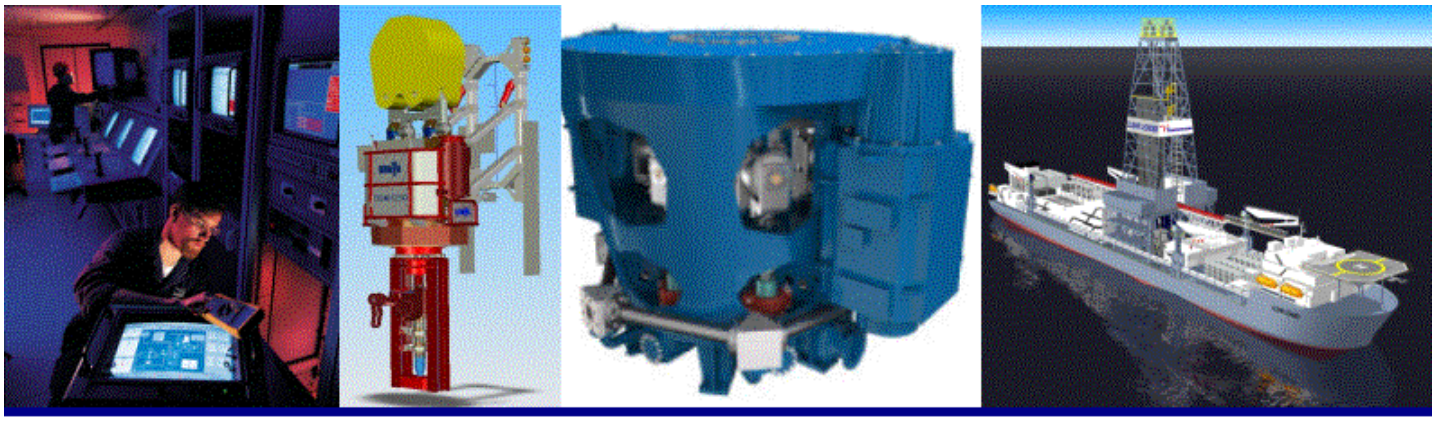

Mike Hall
V.P. Engineering & Technical Services

Project Review/Technology

Enhanced Enterprise Class Drillships

- Discoverer Clear Leader — $600MM
  - Client: Chevron, Gulf of Mexico
  - Shipyard: DSME, Korea
  - Modified Turnkey w/ BOP and Riser System OFE
  - Design Approval Underway
  - Steel Cutting: March 2007
  - Ex-shipyard Delivery: Q4/2008

- Un-named Second Ship — $615MM
  - Client: Hydro, Gulf of Mexico
  - Shipyard: DSME, Korea
  - Copy of DCL
  - Steel Cutting: July 2007
  - Ex-shipyard Delivery: Q2 2009

- Both ships are full Dual Activity

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Enterprise Class Dual Activity Efficiency

- **Offline Handling**
  - Conductor / Surface Casing Handling
  - Casing Stand Building
  - BOP Handling
  - Tree Running
  - BHA Handling
- **Hang off Riser and BOP**

20 – 40 % time saving

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Cost Evolution ($ million)

	DSP/DDS	DCL
◆ Ship Hull & Eqpt + topsides	$ 190	320
◆ Drilling Package Equipment	75	143
◆ Subsea Package Equipment	40	82
◆ Other	30	55
◆ Total	$ 330	600

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Principal Enhancements vs. Enterprise

- Drilling Systems:
  - Water depth increased to 12,000 feet
  - Depth increased to 40,000 feet
  - 1250 T Top Drive and Derrick
  - 30% more mud pumping and storage capacity
- Installing next generation DP and Power Plant Management
- Material Handling & Logistics
  - Upgraded Pipe Racking Systems
  - Improved Loading/Offloading of tubular goods
  - Enhanced handling of subsea production trees

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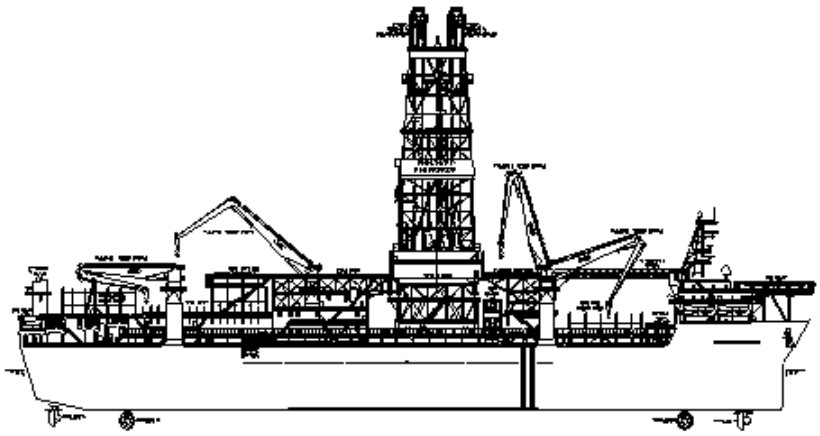
Discoverer Clear Leader

The Next Generation



Water Depth	**12,000ft**
Drilling Depth	**40,000ft**
Length	**837 ft**
Beam	**125 ft**
Hull Depth	**62 ft**
Draft	**43 ft**
Disp	**100,000 MT**
VDL	**20,000 MT**

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Equipment Reliability

- Equipment Related Downtime (2004 to date)

Subsea Systems	45%
Top Drives	25%
Pipe Handling Systems	9%
DP and Power Management Systems	7%
Active Heave Compensating Drawworks	5%
All other	9%

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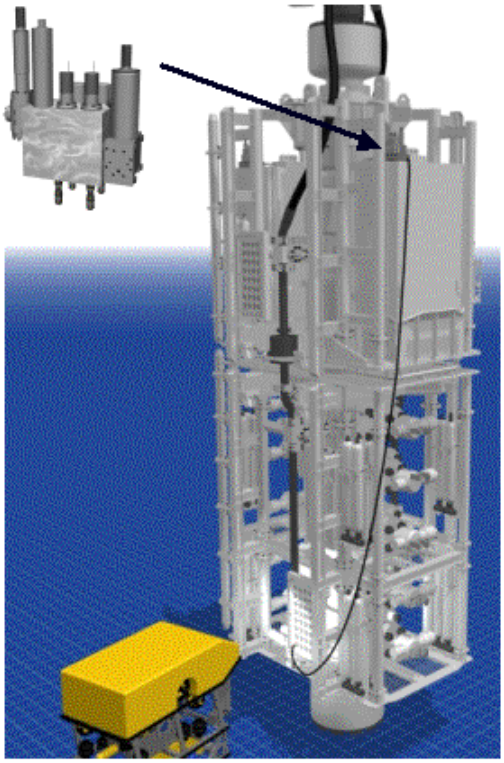
Subsea Innovations

- BOP Control Backup Module for critical functions
  - One module provides two backup control functions
  - Implemented by Remote Operated Vehicle
  - Avoid 7- 9 day downtime to pull BOP & repair
- Subsea Multiplex Cable Connectors
  - Developed new generation connector to allow testing of water integrity prior to running
  - Avoid 7 – 9 day downtime to pull BOP & repair



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Solutions Implemented for Top Drives

- **Dual IBOP**
  - New TOI design being fitted to existing top drives
- **Swivel packing development**
  - new seal designs being tested in lab facility
  - First field tests start in Q3
- **Air purged bonnet gasket**
  - New design developed and being installed
- **Redundant lube oil systems being installed**

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Next Generation Top Drive

1250T "Modular Derrick Drilling Machine"

- Project launch 2005 – Delivery 2007
- 1250T lifting and rotating capacity
- 10-year life between major overhauls
- Robust & Reliable, NPT target < 0.1%
- No critical path shutdown … maintenance while operating
- Field repairable
- Modular design for quick change-out of major components
- Focus on safety and environmental performance

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Pipe Racking Improvements

- Based on operational experience, upgraded all existing PRS-5 pipe rackers with available modification kits
- A re-designed PRS-5 unit will be installed on Discoverer Clear Leader
  - Upgraded Capacity
  - More robust & reliable
  - Modular and easier to repair
  - Less intrusive maintenance
  - Improved safety aspects

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Improving DP Station Keeping Reliability

- **Improving Power Plant Robustness**
  - **Joint development with Siemens**
  - **Eliminate potential faults - FMECA**
  - **Improve fault detection – performance prediction**
  - **Improve casualty response**
  - **Improve generator availability**
  - **Improved thruster performance with marginal power**
- **Improved Black Out Recovery**
  - **Improve generator availability**
  - **Improve thruster recovery time**
- **Global training for "DP lessons learned"**

Significant improvement for existing vessels & a "step change for new builds"

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New Technology Initiatives

"The Transocean Advantage"

- Offline operations
- Tesco Casing Handling JV
- Wireline Tree Running
- Managed Pressure & Dual Gradient Initiatives
- Surface BOP

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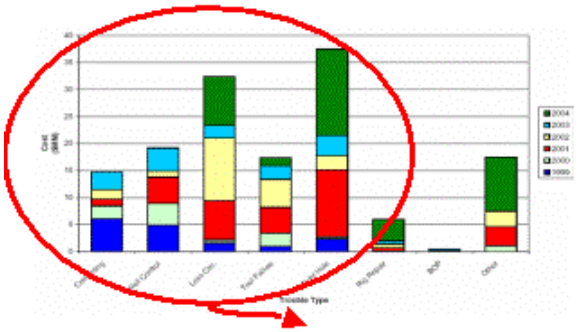
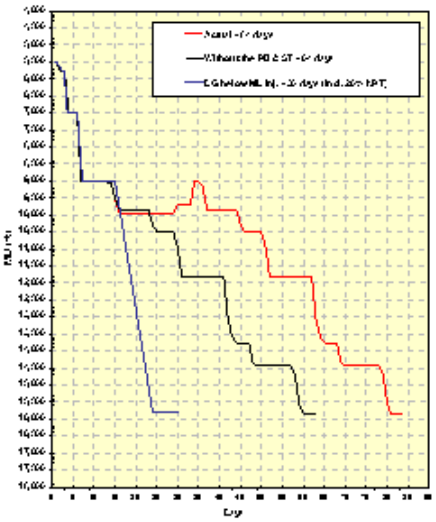
Why MPD?

Wellbore Problem NPT



Well Design Optimization (DGD)



~ 20 % of Total Well Cost in GoM is due to NPT related primarily to wellbore pressure problems

- Reduce NPT – Ballooning Mitigation
- Improve Wellbore & Reservoir Characterization
- Provide Enhanced Kick Detection
- Optimize Casing Design of existing well designs
- Improve well production flow rates (larger completion size)
- Penetrate new reservoirs previously uneconomic to drill

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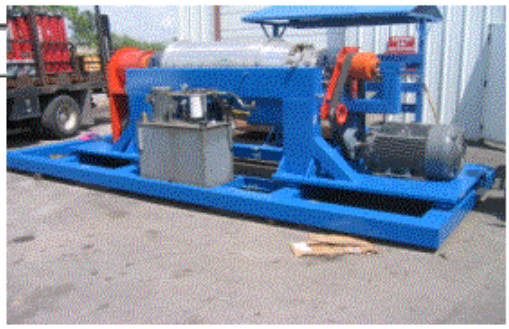
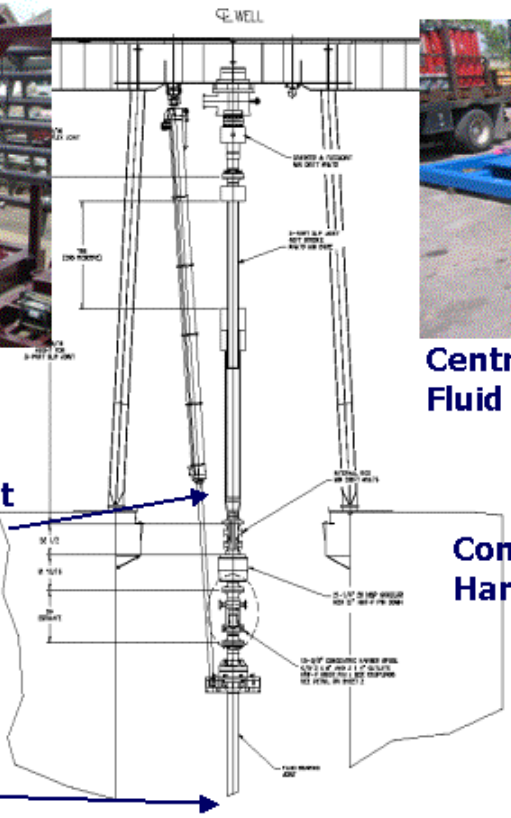
CAPM – What it looks like

Drilling Choke Manifold



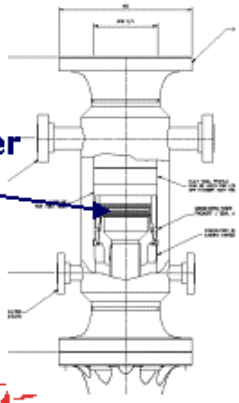
Centrifuge Plant for Dilution Fluid Generation

CAPM Riser Arrangement



Flow Stop Sub

Concentric Riser Hanger



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CAPM Project Status

- Rig Operational Personnel Project Team
- Procedures/Process Driven Design
- Design Review Completed July 2006 – Basis Of Design Frozen
- Target Technology Deployment by end 2007



Robert L. Long
President & CEO

Summary



Summary

- Exceptional business climate
- Regional outlook appears strong over the next two to three years
  - Especially deepwater sector
- Contract backlog supports improved financial performance through 2008
- Company differentiating itself through technology initiatives
- Challenges are present, but manageable
  - Security of people and assets
  - Qualified labor shortage
  - Business costs are rising
  - New capacity threat

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