

Transocean Ltd. and subsidiaries  
Non-GAAP Financial Measures and Reconciliations

**Total Debt to Net Debt, Total Debt to Adjusted Debt and Total Capital to Tangible Capital Reconciliations**

(in millions, except percentages)

	<u>09/30/18</u>	<u>06/30/18</u>	<u>03/31/18</u>
<b>Total Debt to Net Debt Reconciliation</b>			
Total debt	\$ 9,327	\$ 9,630	\$ 9,855
Cash and cash equivalents	(2,307)	(2,506)	(2,712)
Short-term investments	-	-	(150)
Cash restricted for debt service	(105)	(122)	(132)
<b>Net debt</b>	<u>\$ 6,915</u>	<u>\$ 7,002</u>	<u>\$ 6,861</u>
<b>Total Capital to Tangible Capital Reconciliation</b>			
Total equity	\$ 11,961	\$ 12,362	\$ 13,427
Total debt	9,327	9,630	9,855
Total capital	<u>21,288</u>	<u>21,992</u>	<u>23,282</u>
Goodwill and other intangible assets	(554)	(583)	(1,073)
<b>Tangible capital</b>	<u>\$ 20,734</u>	<u>\$ 21,409</u>	<u>\$ 22,209</u>
Total Debt / Total Capital	43.8%	43.8%	42.3%
Total Debt / Tangible Capital	45.0%	45.0%	44.4%
	<u>12/31/17</u>	<u>09/30/17</u>	<u>06/30/17</u>
<b>Total Debt to Net Debt Reconciliation</b>			
Total debt	\$ 7,396	\$ 7,300	\$ 7,390
Cash and cash equivalents	(2,519)	(2,717)	(2,471)
Short-term investments	(450)	-	-
Cash restricted for debt service	(136)	(137)	(195)
<b>Net debt</b>	<u>\$ 4,291</u>	<u>\$ 4,446</u>	<u>\$ 5,167</u>
<b>Total Debt to Adjusted Debt Reconciliation</b>			
Total debt	\$ 7,396	\$ 7,300	\$ 7,390
Eksporthfinans loans	(26)	(27)	(76)
<b>Adjusted debt</b>	<u>\$ 7,370</u>	<u>\$ 7,273</u>	<u>\$ 8,321</u>
<b>Total Capital to Tangible Capital Reconciliation</b>			
Total equity	\$ 12,711	\$ 12,803	\$ 14,209
Adjusted debt	7,370	7,273	8,321
Total capital	<u>20,081</u>	<u>20,076</u>	<u>21,523</u>
Goodwill and other intangible assets	-	-	-
<b>Tangible capital</b>	<u>\$ 20,081</u>	<u>\$ 20,076</u>	<u>\$ 21,523</u>
Total Debt / Total Capital	36.8%	36.4%	34.3%
Adjusted Debt / Tangible Capital	36.7%	36.2%	34.4%