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): October 28, 2003

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

CAYMAN ISLANDS	333-75899	66-0587307
(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)	(Zip Code)

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

ITEM 7. Financial Statements and Exhibits.

(c) Exhibits

The following exhibit is furnished pursuant to Item 12:

99.1 Transocean Inc. Press Release Reporting Third Quarter 2003 Financial Results.

ITEM 12. Results of Operations and Financial Condition.

The following information is furnished under Item 12 of Form 8-K (Results of Operations and Financial Condition) in accordance with Securities and Exchange Commission Release No. 33-8216.

Our press release dated October 28, 2003, concerning third quarter 2003 financial results, furnished as Exhibit 99.1 to this report, is incorporated by reference herein. The press release contains certain measures (discussed below) which may be deemed "non-GAAP financial measures" as defined in Item 10 of Regulation S-K of the Securities Exchange Act of 1934, as amended.

In the attached press release, we discuss net income, excluding the impact of costs related to the planned initial public offering of our Gulf of Mexico Shallow and Inland Water business segment, on a total and per share basis for the quarter ended September 30, 2003. We also discuss net income, excluding a tax benefit attributable to the restructuring of certain non-U.S. operations and the non-cash impairment of certain long-lived assets, on a total and per share basis for the quarter ended September 30, 2002. In addition, we discuss net income, excluding the impact of costs related to the planned initial public offering of our Gulf of Mexico Shallow and Inland Water business segment, after-tax impairment charges, an after-tax loss relating to the early retirement of debt and the favorable resolution of a non-U.S. income tax liability, on a total and per share basis for the nine months ended September 30, 2003. We also discuss net income, excluding the favorable resolution of a non-U.S. income tax liability, non-cash loss on the impairment of long-lived assets and a non-cash charge related to the adoption of Statement of Financial Accounting Standards 142, Goodwill and Other Tangible Assets, on a total and per share basis for the nine months ended September 30, 2002. This information is provided because management believes exclusion of these items will help investors compare results between periods and identify operating trends that could otherwise be masked by these items. The most directly comparable GAAP financial measure, net income (loss), and information reconciling the GAAP and non-GAAP measures are included in the press release.

In the press release, we also discuss net debt at September 30, 2003 and at December 31, 2002. This information is provided because management believes net debt provides useful information regarding the level of our indebtedness by reflecting the amount of indebtedness assuming cash and investments were used to repay debt. The most directly comparable GAAP financial measure, total debt, and the information reconciling the GAAP and the non-GAAP measures are included in the press release.

In the press release, we also discuss field operating income for each of our business segments for the quarters ended September 30 and June 30, 2003 and September 30, 2002. Management believes field operating income is a useful measure of the operating results of a particular segment since the measure only deducts expenses directly related to a segment's operations from that segment's revenues. The most directly comparable GAAP financial measure, operating income before general and administrative expenses, and information reconciling the GAAP and non-GAAP measures are included in the press release.

The information furnished pursuant to this Item 12, including Exhibit 99.1, shall not be deemed to be "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, nor will it be incorporated by reference into any registration statement filed by Transocean Inc. 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 Transocean Inc. 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 Transocean Inc.

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 thereunto duly authorized.

TRANSOCEAN INC.

Date: October 28, 2003

By: /s/ GREGORY L. CAUTHEN

Gregory L. Cauthen
Senior Vice President and
Chief Financial Officer

INDEX TO EXHIBITS

Exhibit Number	Description
99.1	Transocean Inc. Press Release Reporting Third Quarter 2003 Financial Results.

EXHIBIT 99.1

TRANSOCEAN INC.
Post Office Box 2765
Houston TX 77252 2765

(TRANSOCEAN INC. LOGO)

ANALYST CONTACT: Jeffrey L. Chastain
713-232-7551
MEDIA CONTACT: Guy A. Cantwell
713-232-7647

NEWS RELEASE

FOR RELEASE: October 28, 2003

TRANSOCEAN INC. REPORTS THIRD QUARTER 2003 RESULTS

HOUSTON--Transocean Inc. (NYSE: RIG) today reported net income for the three months ended September 30, 2003 of $11.0 million, or $0.03 per diluted share, on revenues of $622.9 million. The results included $8.0 million, or $0.03 per diluted share, of costs relating to the planned initial public offering (IPO) of the company's Gulf of Mexico Shallow and Inland Water business segment operated through its wholly-owned subsidiary, TODCO. Excluding the impact of the IPO costs, net income for the three months ended September 30, 2003 was $19.0 million, or $0.06 per diluted share. Results for the quarter compared to net income of $255.2 million, or $0.79 per diluted share, on revenues of $695.2 million for the three months ended September 30, 2002. Results for the three months ended September 30, 2002 included a tax benefit totaling $176.2 million, or $0.54 per diluted share, attributable to the restructuring of certain non-U.S. operations, partially offset by a $26.6 million after-tax loss, or $0.08 per diluted share, resulting from the non-cash impairment of certain long-lived assets. Excluding the impact of the tax benefit and the non-cash loss due to the impairment of assets, net income for the three months ended September 30, 2002 was $105.6 million, or $0.33 per diluted share.

For the nine months ended September 30, 2003, net income totaled $13.7 million, or $0.04 per diluted share, on revenues of $1,842.8 million. Year-to-date 2003 results included the previously discussed costs associated with the planned IPO of TODCO, after-tax asset impairment charges totaling $26.6 million, or $0.08 per diluted share, and an after-tax loss of $13.8 million, or $0.04 per diluted share, relating to the early retirement of debt, partially offset by a favorable resolution of a non-U.S. income tax liability of $14.6 million, or $0.04 per diluted share. Excluding the impact of the IPO costs, impairment charges, debt retirement loss and favorable income tax resolution, net income for the nine months ended September 30, 2003 was $47.5 million, or $0.15 per diluted share. During the corresponding nine months ended September 30, 2002, the company reported a net loss of $951.2 million, or $2.94 per diluted share, on revenues of $2,009.3 million. Results for the first nine months of 2002 included the previously discussed tax benefit and non-cash loss on the impairment of long-lived assets, in addition to a non-cash charge of $1,363.7 million, or $4.22 per diluted share, pertaining to the adoption in January 2002 of Statement of Financial Accounting Standards 142 (FAS 142), Goodwill and Other Intangible Assets. Excluding the impact of the year-to-date tax benefit of $175.7 million, or $0.54 per diluted share, non-cash loss on the impairment of long-lived assets of $27.3 million, or $0.08 per diluted share, and loss from the non-cash charge relating to the adoption of FAS 142, net income for the nine months ended September 30, 2002 was $264.1 million, or $0.82 per diluted share.

Cash flow from operations totaled $159.4 million and $464.6 million for the three and nine months ended September 30, 2003. Net debt (defined as long-term debt plus debt due within one year less cash and cash equivalents) declined to $2,895.1 million at September 30, 2003, from $3,282.5 million at December 31, 2002.

Revenues associated with the company's International and U.S. Floater Contract Drilling Services business segment were $564.4 million for the three months ended September 30, 2003, improving 3% from revenues of $548.5 million during the preceding quarter of 2003. During the third quarter of 2002, segment revenues totaled $641.2 million. Segment operating income, before general and administrative expense, was $118.9 million during the current quarter, while field operating income (defined as revenues less operating and maintenance expenses) during that period was $222.0 million. Segment field operating income for the three months ended September 30, 2003 was negatively impacted by approximately $17 million due to an ongoing disagreement with a customer concerning the applicable dayrate and other costs on the ultra-deepwater drillship Discoverer Enterprise following the riser separation incident on May 21, 2003. The segment results compared to operating income of $84.2 million and field operating income of $192.6 million during the preceding quarter of 2003 and $190.0 million and $315.5 million, respectively, during the corresponding three months in 2002. Segment fleet utilization improved to 71% for the three months ended September 30, 2003, from 68% during the preceding quarter of 2003, resulting primarily from improved utilization in the company's fleet of deepwater rigs. During the corresponding three months of 2002, segment utilization was 79%.

Prospects for the company's International and U.S. Floater Contract Drilling Services business segment are uncertain over the next six to nine months. Over this period, market dayrates for the industry's most technically advanced rigs will be difficult to predict and intermittent idle time could be experienced as several of these units, including four of the company's 5th Generation deepwater rigs, conclude contracts. The company continues to believe that over the long term, deepwater exploration and development drilling opportunities in Angola, Nigeria, India and other emerging locations represent a potentially significant source of future rig demand. In the company's Mid-Water fleet, no measurable improvement is expected through the first quarter of 2004 when seasonal demand in the North Sea is expected to offer additional drilling opportunities through the spring and summer months. Finally, a stable level of activity is expected to persist in most of the international jackup market sectors. The modest overcapacity present in the West Africa jackup market sector is expected to largely dissipate by mid-2004, although dayrates associated with near-term contract signings in the region are expected to decline from average levels experienced over the past 12 months.

Operating revenues from the company's Gulf of Mexico Shallow and Inland Water business segment continued to show improvement, totaling $58.5 million for the three months ended September 30, 2003 compared to $55.4 million during the preceding three months in 2003 and $54.0 million during the corresponding three months in 2002. The 6% revenue increase from the preceding quarter in 2003 was attributable to improvements in both average fleet utilization and dayrates among the segment's jackup rigs. The business segment recorded a reduced operating loss, before general and administrative expense, of $24.9 million during the current quarter, while the segment's field operating loss (defined as revenues less operating and maintenance expenses) narrowed to $2.1 million, compared to $49.5 million and $15.2 million, respectively, during the preceding quarter of 2003. For the corresponding three months in 2002, the segment's operating loss totaled $38.1 million while the field operating loss was $1.4 million. Segment fleet utilization improved to 44% in the current quarter, compared to 42% during the preceding quarter of 2003 and 38% during the corresponding three months in 2002.

The Gulf of Mexico Shallow and Inland Water business segment continues to benefit from a declining base of jackup rig supply in the Gulf of Mexico, which has helped to lift utilization and dayrates in an otherwise flat rig demand environment. Demand in the Gulf of Mexico inland barge fleet has trended lower, while total supply is unchanged. However, deep gas drilling interest among several exploration and production companies operating in the Gulf of Mexico is expected to increase, offering the prospect for improving demand in 2004.

The company continues to monitor market conditions for its planned IPO of TODCO, which operates its Gulf of Mexico Shallow and Inland Water business segment. The company first announced its divestiture plans in the third quarter of 2002. As the IPO had not been completed by the end of the third quarter of 2003, the company recognized its previously deferred costs relating to the offering. General and administrative expense for the three months ended September 30, 2003 included $8.0 million of IPO-related costs, of which $6.4 million was deferred in previous periods. The company expects to complete the IPO when market conditions warrant, subject to various factors.

Conference Call Information

Transocean will conduct a teleconference call at 10:00 a.m. ET on October 28, 2003. To participate, dial 303-262-2130 approximately five to 10 minutes prior to the scheduled start time of the call.

In addition, the conference call will be simultaneously broadcast over the Internet in a listen-only mode and can be accessed by logging onto the company's website at www.deepwater.com and selecting "Investor Relations." It may also be accessed via the Internet at www.CompanyBoardroom.com by typing in the company's New York Stock Exchange trading symbol, "RIG."

A telephonic replay of the conference call should be available after 1:00 p.m. ET on October 28 and can be accessed by dialing 303-590-3000 and referring to the passcode 553847. Also, a replay will be available through the Internet and can be accessed by visiting either of the above-referenced Worldwide Web addresses.

Monthly Fleet Update and Cash Operating Cost Information

Drilling rig status and contract information, as well as cash operating cost information on Transocean Inc.'s offshore drilling fleet, has been condensed into three reports titled "Monthly Fleet Update," "Monthly Fleet Update - Jackups and Barges" and "Cash Operating Cost," which are available through the company's website at www.deepwater.com. The reports are located in the "Investor Relations/Financial Reports" section of the website. By subscribing to the Transocean Financial Report Alert, you will be immediately notified when new postings are made to this page by an automated e-mail that will provide a link directly to the page that has been updated. Shareholders and other interested parties are invited to sign up for this service.

Forward-Looking Disclaimer

Statements regarding future opportunities and outlook for the company and the company's two business segments and fleet categories, dayrates, rig utilization, drilling activity, completion of the TODCO initial public offering, as well as any other statements that are not historical facts in this release, are forward-looking statements that involve certain risks, uncertainties and assumptions. These include but are not limited to operating hazards and delays, risks associated with international operations, results of investigations regarding riser, actions by customers and other third parties, the future price of oil and gas and other factors detailed in the company's most recent Form 10-K and other filings with the Securities and Exchange Commission. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those indicated.

Transocean Inc. is the world's largest offshore drilling contractor with more than 160 full or partially owned and managed mobile offshore drilling units, inland drilling barges and other assets utilized in the support of offshore drilling activities worldwide. The company's mobile offshore drilling fleet is considered one of the most modern and versatile in the world with 13 fifth-generation semisubmersibles and drillships, 15 other deepwater semisubmersibles and drillships, 31 mid-water semisubmersibles and drillships and 50 jackup drilling rigs. Transocean Inc. specializes in technically demanding segments of the offshore drilling business, including industry-leading positions in deepwater and harsh environment drilling services. With a current equity market capitalization in excess of $6 billion, the company's ordinary shares are traded on the New York Stock Exchange under the symbol "RIG."

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TRANSOCEAN INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In millions, except per share data)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2003	2002	2003	2002
Operating Revenues				
Contract Drilling Revenues	$ 598.5	$ 695.2	$ 1,764.7	$ 2,009.3
Client Reimbursable Revenues	24.4	--	78.1	--
	622.9	695.2	1,842.8	2,009.3
Costs and Expenses				
Operating and maintenance	403.0	381.1	1,203.6	1,127.7
Depreciation	126.8	124.2	381.1	374.1
General and administrative	21.2	15.8	50.0	51.6
Impairment loss on long-lived assets	--	40.9	16.8	42.0
Gain from sale of assets, net	(0.9)	(2.9)	(2.9)	(3.5)
	550.1	559.1	1,648.6	1,591.9
Operating Income	72.8	136.1	194.2	417.4
Other Income (Expense), net				
Equity in earnings of joint ventures	1.9	0.4	7.3	4.8
Interest income	3.0	6.1	15.7	16.0
Interest expense	(49.0)	(52.3)	(154.4)	(160.7)
Loss on retirement				

of debt -- --
(15.7) --
Impairment
loss on note
receivable
from related
party -- --
(21.3) --
Other, net
(0.2) 1.3
(3.5) 0.2
(44.3) (44.5)
(171.9)
(139.7)
Income Before
Income Taxes,
Minority
Interest and
Cumulative
Effect of a
Change in
Accounting
Principle
28.5 91.6
22.3 277.7
Income Tax
Expense
(Benefit)
17.3 (164.8)
8.3 (137.1)
Minority
Interest 0.2
1.2 0.3 2.3
Net Income
Before
Cumulative
Effect of a
Change in
Accounting
Principle
11.0 255.2
13.7 412.5
Cumulative
Effect of a
Change in
Accounting
Principle --
-- --
(1,363.7) Net
Income (Loss)
$ 11.0 $
255.2 $ 13.7
$ (951.2)
Basic
Earnings
(Loss) Per
Share Income
Before
Cumulative
Effect of a
Change in
Accounting
Principle $
0.03 $ 0.80 $
0.04 $ 1.29
Loss on
Cumulative
Effect of a
Change in
Accounting --
-- -- (4.27)
Principle Net
Income (Loss)
$ 0.03 $ 0.80
$ 0.04 $
(2.98)
Diluted
Earnings
(Loss) Per
Share Income
Before

Cumulative
Effect of a
Change in
Accounting
Principle $
0.03 $ 0.79 $
0.04 $ 1.28
Loss on
Cumulative
Effect of a
Change in
Accounting --
-- (4.22)
Principle --
Net Income
(Loss) $ 0.03
$ 0.79 $ 0.04
$ (2.94)
Weighted
Average
Shares
Outstanding
Basic 319.9
319.2 319.8
319.1 Diluted
321.1 328.8
321.4 323.0

TRANSOCEAN INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(In millions, except share data)

	September 30, 2003	December 31, 2002
	(Unaudited)	
ASSETS		
Cash and Cash Equivalents	$ 806.3	$ 1,214.2
Accounts Receivable		
Trade, net	431.4	437.6
Other	55.2	61.7
Materials and Supplies	156.4	155.8
Deferred Income Taxes	14.1	21.9
Other Current Assets	79.1	20.5
Total Current Assets	1,542.5	1,911.7
Property and Equipment	10,214.9	10,198.0
Less Accumulated Depreciation	2,535.4	2,168.2
Property and Equipment, net	7,679.5	8,029.8
Goodwill, net	2,223.4	2,218.2
Investments in and Advances to Joint Ventures	70.0	108.5
Deferred Income Taxes	26.2	26.2
Other Assets	176.1	370.7
Total Assets	$ 11,717.7	$ 12,665.1
LIABILITIES AND SHAREHOLDERS' EQUITY		
Accounts Payable	$ 147.2	$ 134.1
Accrued		

Income Taxes	62.0	59.5
Debt Due Within One Year	282.1	1,048.1
Other Current Liabilities	293.7	262.2
Total Current Liabilities	785.0	1,503.9
Long-Term Debt	3,419.3	3,629.9
Deferred Income Taxes	55.4	107.2
Other Long-Term Liabilities	283.1	282.7
Total Long-Term Liabilities	3,757.8	4,019.8
Commitments and Contingencies		
Preference Shares, $0.10 par value; 50,000,000 shares authorized, none issued and outstanding	--	--
Ordinary Shares, $0.01 par value; 800,000,000 shares authorized, 319,890,650 and 319,219,072 shares issued and outstanding at September 30, 2003 and December 31, 2002, respectively	3.2	3.2
Additional Paid-in Capital	10,640.4	10,623.1
Accumulated Other Comprehensive Loss	(29.0)	(31.5)
Retained Earnings (Deficit)	(3,439.7)	(3,453.4)
Total Shareholders' Equity		

7,174.9
7,141.4
Total Liabilities and Shareholders' Equity $ 11,717.7 $ 12,665.1

TRANSOCEAN INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)
(Unaudited)

Three Months Ended
Nine Months Ended
September 30,
September 30, ----

---- 2003 2002
2003 2002 --------
-------- --------
-------- CASH
FLOWS FROM
OPERATING
ACTIVITIES Net
income (loss) $
11.0 $ 255.2 $
13.7 $ (951.2)
Adjustments to
reconcile net
income (loss) to
net cash provided
by operating
activities
Depreciation 126.8
124.2 381.1 374.1
Impairment loss on
goodwill -- -- --
1,363.7 Stock-
based compensation
expense 1.4 0.2
4.3 0.6 Deferred
income taxes 19.1
(151.5) (40.4)
(189.8) Equity in
earnings of joint
ventures (1.9)
(0.4) (7.3) (4.8)
Net (gain) loss
from disposal of
assets 4.4 (1.1)
12.2 1.2 Loss on
retirement of debt
-- -- 15.7 --
Impairment loss on
long-lived assets
-- 40.9 16.8 42.0
Impairment loss on
note receivable
from related party
-- -- 21.3 --
Amortization of
debt-related
discounts/premiums,
fair value
adjustments and
issue costs, net
(8.2) 1.7 (16.1)
4.6 Deferred
income, net (5.3)
(3.3) (6.9) (9.3)
Deferred expenses,
net (5.1) (14.7)
(2.4) (7.7) Other,
net 12.3 2.0 25.8
11.3 Changes in
operating assets
and liabilities
Accounts
receivable (44.0)
47.9 7.6 132.0
Accounts payable
and other current
liabilities 42.6
42.8 46.6 (41.9)

Income taxes receivable/payable, net (8.0) (38.2) 1.6 (15.9) Other current assets 14.3 14.0 (9.0) (8.7) Net Cash Provided by Operating Activities 159.4 319.7 464.6 700.2 CASH FLOWS FROM INVESTING ACTIVITIES Capital expenditures (23.4) (33.4) (73.6) (114.6) Note issued to related party, net of repayments 1.1 -- (44.2) -- Proceeds from disposal of assets, net 0.9 8.6 4.1 73.6 Acquisition of 40 percent interest in Deepwater Drilling II L.L.C., net of cash acquired -- -- 18.1 -- Joint ventures and other investments, net 0.6 4.6 2.8 4.6 Net Cash Used in Investing Activities (20.8) (20.2) (92.8) (36.4) CASH FLOWS FROM FINANCING ACTIVITIES Borrowings under capital lease obligations 1.0 -- 1.0 -- Repayments under commercial paper program -- -- -- (326.4) Repayments on other debt instruments (48.0) (34.7) (967.2) (154.3) Cash from termination of interest rate swaps -- -- 173.5 -- Decrease in cash dedicated to debt service -- -- 1.2 -- Net proceeds from issuance of ordinary shares under stock-based compensation plans 0.6 (0.1) 12.3 10.2 Dividends paid -- -- -- (19.1) Financing costs 0.1 -- -- (8.1) Other, net -- 1.2 (0.5) 2.3 Net Cash Used in Financing Activities (46.3) (33.6) (779.7) (495.4) Net Increase (Decrease) in Cash and Cash

Equivalents 92.3 265.9 (407.9) 168.4 Cash and Cash Equivalents at Beginning of Period 714.0 755.9 1,214.2 853.4 Cash and Cash Equivalents at End of Period $ 806.3 $1,021.8 $ 806.3 $1,021.8

Transocean Inc.
Fleet Operating Statistics

Operating Revenues ($ Millions) (1) -------- ------------ ------------ ------------ ------------ ------ Nine Months Ended Three Months Ended September 30, -------- ------------ ------------ ------ ----- ------------ ---- September 30, June 30, September 30, 2003 2003 2002 2003 2002 -- ----------- -------- --- ---------- - ------- ---- ---- INTERNATIONAL AND U.S. FLOATER CONTRACT DRILLING SERVICES SEGMENT: Deepwater: 5th Generation $ 188.7 $ 168.5 $ 173.8 $ 532.9 $ 491.4 Other Deepwater $ 113.2 $ 106.0 $ 135.1 $ 335.4 $ 413.1 Total Deepwater $ 301.9 $ 274.5 $ 308.9 $ 868.3 $ 904.5 Mid-Water $ 106.4 $ 113.9 $ 175.3 $ 335.4 $ 532.1 Jackups - Non-U.S. $ 110.4 $ 116.6 $ 117.0 $ 342.3 $ 348.4 Other Rigs $ 25.7 $ 20.5 $ 40.0 $ 65.0 $ 88.5 Subtotal $ 544.4 $

525.5 $
641.2
$1,611.0
$1,873.5
Client
Reimbursables
$ 20.0 $
23.0 -- $
64.6 --
Segment
Total $
564.4 $
548.5 $
641.2
$1,675.6
$1,873.5
GULF OF
MEXICO
SHALLOW AND
INLAND WATER
SEGMENT:
Contract
Drilling
Revenues
Jackups and
Submersibles
$ 25.7 $
22.1 $ 19.1
$ 64.4 $
46.1 Inland
Barges $
17.7 $ 17.7
$ 27.5 $
58.4 $ 62.8
Other $ 10.7
$ 11.3 $ 7.4
$ 30.9 $
26.9
Subtotal $
54.1 $ 51.1
$ 54.0 $
153.7 $
135.8 Client
Reimbursables
$ 4.4 $ 4.3
-- $ 13.5 --
Segment
Total $ 58.5
$ 55.4 $
54.0 $ 167.2
$ 135.8
Total
Company $
622.9 $
603.9 $
695.2
$1,842.8
$2,009.3

Average
Dayrates (1)
(2) --------

------ Nine
Months Ended
Three Months
Ended
September
30, --------

------ -----

September
30, June 30,
September

30, 2003
2003 2002
2003 2002 --
------ -----
--- --------
-------- ---

INTERNATIONAL
AND U.S.
FLOATER
CONTRACT
DRILLING
SERVICES
SEGMENT:
Deepwater:
5th
Generation
$176,600
$185,100
$190,100
$181,600
$188,200
Other
Deepwater
$112,500
$111,500
$115,200
$112,600
$120,100
Total
Deepwater
$145,500
$147,500
$148,000
$146,800
$149,500
Mid-Water $
70,900 $
73,600 $
83,000 $
73,900 $
81,900
Jackups -
Non-U.S. $
54,400 $
57,400 $
60,400 $
56,200 $
58,900 Other
Rigs $
48,800 $
41,500 $
49,300 $
44,700 $
43,900
Segment
Total $
89,000 $
88,900 $
94,600 $
89,800 $
92,700 GULF
OF MEXICO
SHALLOW AND
INLAND WATER
SEGMENT:
Jackups and
Submersibles
$ 20,800 $
18,200 $
22,400 $
19,600 $
21,500
Inland
Barges $
16,900 $
16,100 $
20,700 $
16,900 $
20,100 Other
$ 20,500 $

18,600 $
23,400 $
19,400 $
21,200
Segment
Total $
19,300 $
17,500 $
21,600 $
18,400 $
20,800 Total
Mobile
Offshore
Drilling
Fleet $
67,000 $
65,300 $
74,500 $
67,100 $
74,900

	Utilization (1) (2)				
	Three Months Ended			Nine Months Ended	
	September 30, 2003	June 30, 2003	September 30, 2002	September 30, 2003	September 30, 2002
INTERNATIONAL AND U.S. FLOATER CONTRACT DRILLING SERVICES SEGMENT:					
Deepwater:					
5th Generation	97%	88%	90%	94%	87%
Other Deepwater	73%	70%	85%	73%	84%
Total Deepwater	84%	78%	87%	82%	85%
Mid-Water	54%	55%	74%	54%	76%
Jackups - Non-U.S.	85%	86%	84%	86%	86%
Other Rigs	49%	41%	56%	42%	60%
Segment Total	71%	68%	79%	69%	80%
GULF OF MEXICO SHALLOW AND INLAND WATER SEGMENT:					
Jackups and Submersibles	54%	44%	32%	43%	27%
Inland Barges	38%	39%	47%	42%	37%
Other	38%	44%	31%	39%	41%
Segment Total	44%	42%	38%	41%	

33% Total Mobile Offshore Drilling Fleet 59% 57% 61% 57% 59%

(1) Certain reclassifications have been made to prior periods to conform to current quarter presentation.

(2) Average dayrates are defined as contract drilling revenue earned per revenue earning day and utilization is defined as the total actual number of revenue earning days as a percentage of the total number of calendar days in the period. Effective January 1, 2003, the calculation of average dayrates and utilization was changed to include all rigs based on contract drilling revenues. Prior periods have been restated to reflect the change.

TRANSOCEAN INC. AND SUBSIDIARIES
NON-GAAP FINANCIAL MEASURES AND RECONCILIATIONS
ADJUSTED INCOME (LOSS) AND EARNINGS (LOSS) PER SHARE RECONCILIATION
(IN US$ MILLIONS)

	QTD 09/30/03	YTD 09/30/03	QTD 09/30/02	YTD 09/30/02
ADJUSTED INCOME				
Net income (loss) as reported	$ 11.0	$ 13.7	$ 255.2	$ (951.2)
Add back:				
After-tax loss on early retirement of debt	0.0	13.8	--	--
After-tax loss on impairment of certain long-lived assets	0.0	12.8	26.6	27.3
After-tax impairment of note receivable from Delta Towing LLC	0.0	13.8	--	--
Favorable resolution of a non-U.S. income tax liability	0.0	(14.6)	--	--
Tax benefit from the restructuring of non-U.S. operations	0.0	0.0	(176.2)	(175.7)
After-tax initial public offering costs	8.0	8.0	--	--
After-tax impairment of goodwill	--	--	--	1,363.7
Net income (loss) as adjusted	$ 19.0	$ 47.5	$ 105.6	$ 264.1

- ---------

DILUTED
EARNINGS PER
SHARE: Net
income
(loss) as
reported $
0.03 $ 0.04
$ 0.79 $
(2.94) Add
back: After-
tax loss on
early
retirement
of debt --
0.04 -- --
After-tax
loss on
impairment
of certain
long-lived
assets --
0.04 0.08
0.08 After-
tax
impairment
of note
receivable
from Delta
Towing LLC -
- 0.04 -- --
Favorable
resolution
of a non-
U.S. income
tax
liability --
(0.04) -- --
Tax benefit
from the
restructuring
of non-U.S.
operations -
- 0.00
(0.54)
(0.54)
After-tax
initial
public
offering
costs 0.03
0.03 After-
tax
impairment
of goodwill
-- -- --
4.22 -------
-- ---------
--------- --
------- Net
income
(loss) as
adjusted $
0.06 $ 0.15
$ 0.33 $
0.82 -------
-- ---------
--------- --

(TRANSOCEAN INC. LOGO)
TRANSOCEAN INC. AND SUBSIDIARIES
NON-GAAP FINANCIAL MEASURES AND RECONCILIATIONS
(IN US$ MILLIONS)

FOR THE QUARTER ENDED

SEPTEMBER 30, JUNE 30, SEPTEMBER 30,
2003 2003 2002 ------------- -------- -------------
OPERATING INCOME (LOSS) BEFORE GENERAL AND ADMINISTRATIVE EXPENSES TO FIELD OPERATING INCOME (LOSS) BY SEGMENT RECONCILIATION
International and U.S. Floater Contract Drilling Services Segment
Operating income before general and administrative expense $ 118.9 $ 84.2 $ 190.0
Add back:
Depreciation 103.9 104.4 101.6
Impairment loss on long-lived assets -- 4.2 25.7
Gain from sale of assets, net (0.8) (0.2) (1.8)
-------------- ------- -------
Field operating income $ 222.0 $ 192.6 $ 315.5
------- ------- -------
Gulf of Mexico Shallow and Inland Water Segment
Operating loss before general and administrative expense $ (24.9) $ (49.5) $ (38.1)
Add back:
Depreciation 22.9 23.1

22.6
Impairment
loss on long-
lived assets
-- 11.6 15.2
Gain from
sale of
assets, net
(0.1) (0.4)
(1.1) -------
------- -----
-- Field
operating
loss $ (2.1)
$ (15.2) $
(1.4) -------
------- -----
--

SEPTEMBER 30,
DEC. 31, 2003
2002 --------
----- -------
-- TOTAL DEBT
TO NET DEBT
RECONCILIATION
Total Debt $
3,701.4 $
4,678.0 Less:
Cash and cash
equivalents
806.3 1,214.2
Swap
Receivables -
- 181.3 -----
---- --------
- Net Debt $
2,895.1 $
3,282.5 -----
---- --------
- TOTAL
CAPITAL Total
Shareholders'
Equity $
7,174.9 $
7,141.4 Add
Back: Total
Debt 3,701.4
4,678.0 -----
---- --------
- Total
Capital
$10,876.3
$11,819.4 ---
------ ------
--- TOTAL
CAPITAL TO
TANGIBLE
CAPITAL
RECONCILIATION
Total
Shareholders'
Equity $
7,174.9 $
7,141.4 Add
Back: Net
Debt (see
calculation
above)
2,895.1
3,282.5 Less:
Goodwill, net
(2,223.4)
(2,218.2) ---
------ ------
--- Tangible
Capital $
7,846.6 $
8,205.7 -----
---- --------

- Debt/Total Capital 34.0% 39.6% Net Debt/Tangible Capital 36.9% 40.0%