

**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 US\$ millions, except percentages)

	12/31/2015 (a)	09/30/15	06/30/15	03/31/15
<b>Total Debt to Net Debt Reconciliation</b>				
Total debt	\$ 8,490	\$ 8,753	\$ 10,015	\$ 10,020
Deduct: cash and cash equivalents	(2,339)	(2,234)	(3,769)	(2,682)
Deduct: cash restricted for debt service	(216)	(223)	(296)	(288)
Net debt	<u>\$ 5,935</u>	<u>\$ 6,296</u>	<u>\$ 5,950</u>	<u>\$ 7,050</u>
<b>Total Debt to Adjusted Debt Reconciliation</b>				
Total debt	\$ 8,490	\$ 8,753	\$ 10,015	\$ 10,020
Deduct: Eksportfinans loans	(216)	(223)	(296)	(288)
Adjusted debt	<u>\$ 8,274</u>	<u>\$ 8,530</u>	<u>\$ 9,719</u>	<u>\$ 9,732</u>
<b>Total Capital to Tangible Capital Reconciliation</b>				
Total equity	\$ 14,808	\$ 14,026	\$ 13,648	\$ 13,510
Add: adjusted debt	8,274	8,530	9,719	9,732
Total capital	23,082	22,556	23,367	23,242
Deduct: goodwill	-	-	-	-
Tangible capital	<u>\$ 23,082</u>	<u>\$ 22,556</u>	<u>\$ 23,367</u>	<u>\$ 23,242</u>
Total Debt / Total Capital	36.8%	38.8%	42.9%	43.1%
Adjusted Debt / Tangible Capital	35.8%	37.8%	41.6%	41.9%
	<u>12/31/14</u>	<u>09/30/14</u>	<u>06/30/14</u>	<u>03/31/14</u>
<b>Total Debt to Net Debt Reconciliation</b>				
Total debt	\$ 10,092	\$ 10,353	\$ 10,457	\$ 10,470
Deduct: cash and cash equivalents	(2,635)	(2,873)	(2,117)	(1,987)
Deduct: cash restricted for debt service	(369)	(427)	(517)	(529)
Net debt	<u>\$ 7,088</u>	<u>\$ 7,053</u>	<u>\$ 7,823</u>	<u>\$ 7,954</u>
<b>Total Debt to Adjusted Debt Reconciliation</b>				
Total debt	\$ 10,092	\$ 10,353	\$ 10,457	\$ 10,470
Deduct: Eksportfinans loans	(369)	(427)	(517)	(529)
Adjusted debt	<u>\$ 9,723</u>	<u>\$ 9,926</u>	<u>\$ 9,940</u>	<u>\$ 9,941</u>
<b>Total Capital to Tangible Capital Reconciliation</b>				
Total equity	\$ 13,982	\$ 14,952	\$ 16,775	\$ 17,175
Add: adjusted debt	9,723	9,926	9,940	9,941
Total capital	23,705	24,878	26,715	27,116
Deduct: goodwill	-	(1,014)	(2,987)	(2,987)
Tangible capital	<u>\$ 23,705</u>	<u>\$ 23,864</u>	<u>\$ 23,728</u>	<u>\$ 24,129</u>
Total Debt / Total Capital	42.6%	41.6%	39.1%	38.6%
Adjusted Debt / Tangible Capital	41.0%	41.6%	41.9%	41.2%
	<u>12/31/13</u>	<u>09/30/13</u>	<u>06/30/13</u>	<u>03/31/13</u>
<b>Total Debt to Net Debt Reconciliation</b>				
Total debt	\$ 10,702	\$ 10,728	\$ 10,799	\$ 11,231
Deduct: cash and cash equivalents	(3,243)	(3,559)	(3,357)	(3,689)
Deduct: cash restricted for debt service	(611)	(628)	(678)	(741)
Net debt	<u>\$ 6,848</u>	<u>\$ 6,541</u>	<u>\$ 6,764</u>	<u>\$ 6,801</u>
<b>Total Debt to Adjusted Debt Reconciliation</b>				
Total debt	\$ 10,702	\$ 10,728	\$ 10,799	\$ 11,231
Deduct: Eksportfinans loans	(591)	(597)	(661)	(686)
Adjusted debt	<u>\$ 10,111</u>	<u>\$ 10,131</u>	<u>\$ 10,138</u>	<u>\$ 10,545</u>
<b>Total Capital to Tangible Capital Reconciliation</b>				
Total equity	\$ 16,685	\$ 16,259	\$ 15,664	\$ 16,027
Add: adjusted debt	10,111	10,131	10,138	10,545
Total capital	26,796	26,390	25,802	26,572
Deduct: goodwill	(2,987)	(2,987)	(2,987)	(2,987)
Tangible capital	<u>\$ 23,809</u>	<u>\$ 23,403</u>	<u>\$ 22,815</u>	<u>\$ 23,585</u>
Total Debt / Total Capital	39.9%	40.7%	41.9%	42.3%
Adjusted Debt / Tangible Capital	42.5%	43.3%	44.4%	44.7%

(a) The calculation as of December 31, 2015, is not directly comparable to prior periods due to the adoption of the new accounting standard update related to the classification of debt issue costs.