



# UBS Global Oil and Gas Conference

Mark Mey, EVP and CFO

Austin - May 23, 2017

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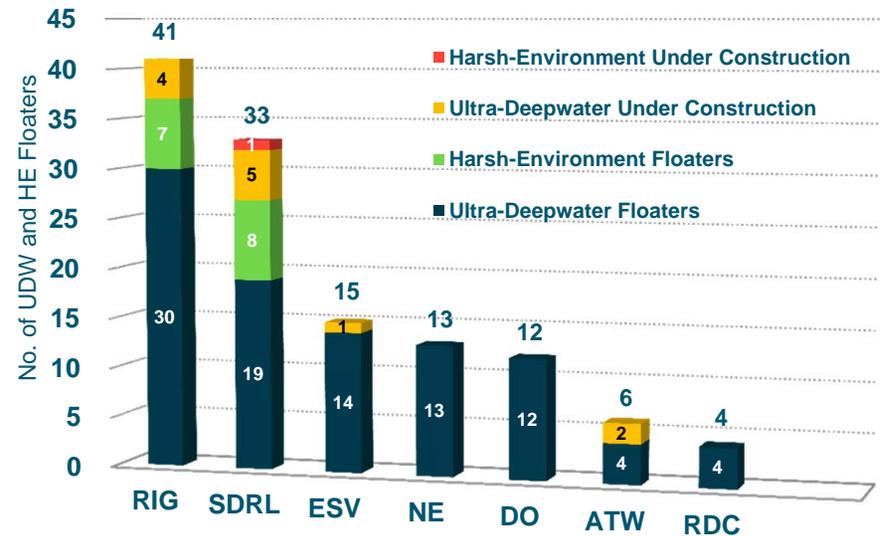
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# Leading International Offshore Contract Driller

## Investment Highlights

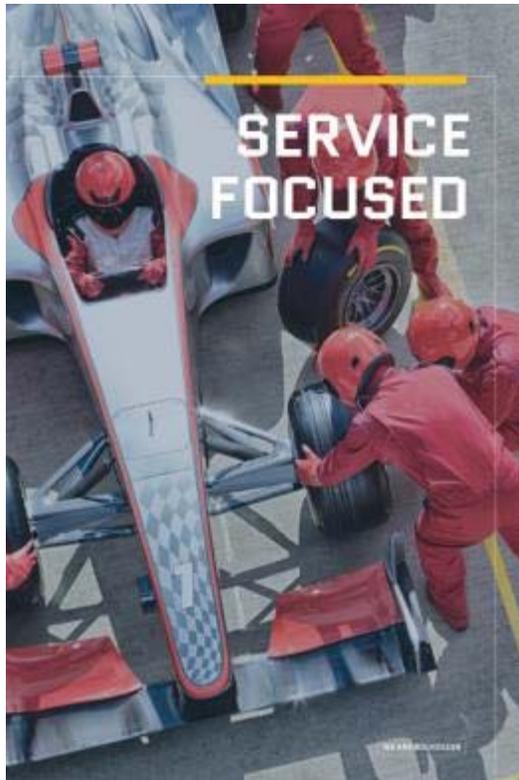
- Largest combined fleet of high-specification UDW and HE floaters, including 17 newbuild floaters added since 2008
- Operates in major markets worldwide - strong customer relationships
- Pioneering culture
  - Long history of industry firsts
  - Unmatched technical experience
- Industry leading contract backlog of \$10.8 billion at 4/24/17
- Strong financial position and solid liquidity of \$6.1 billion at 3/31/17

## Best-In-Class High-Specification Floaters



Source: Fleet Status Reports

# The Transocean Culture



## *Deepwater Proteus*

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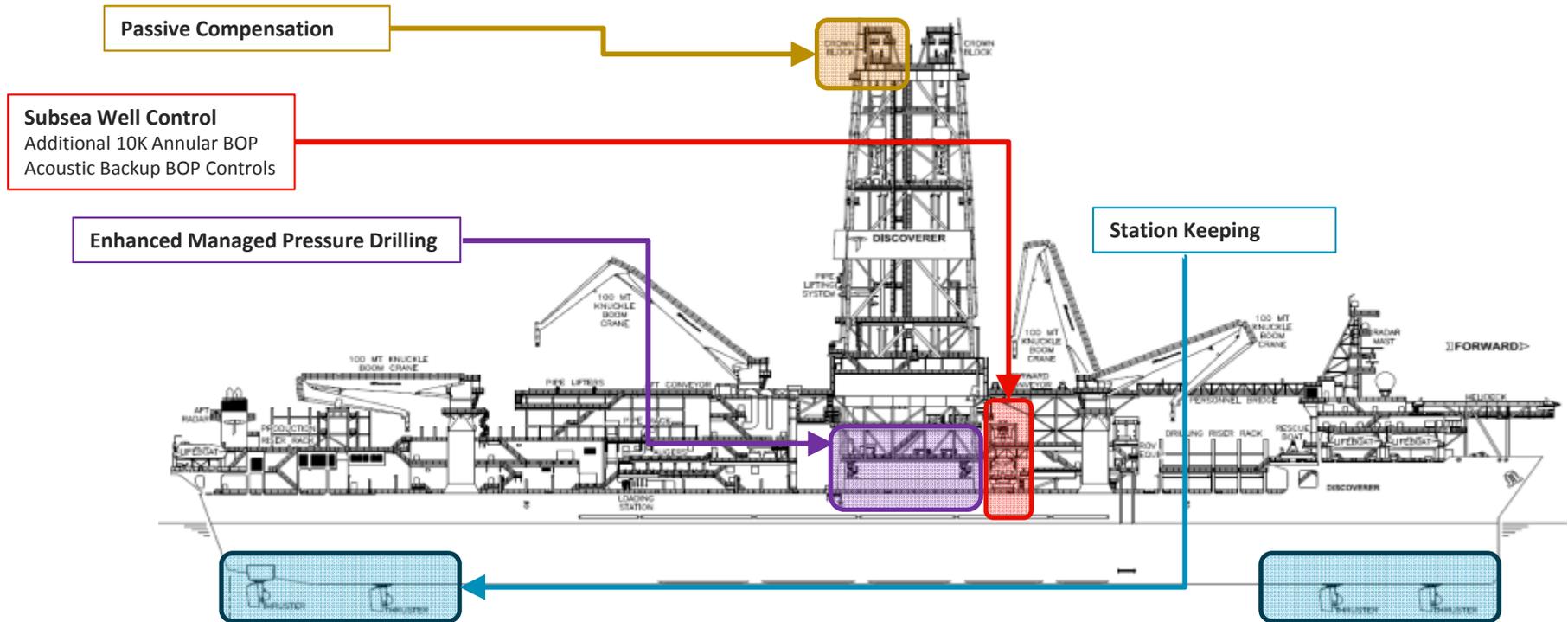
HSSE – Goal Zero – since commencement

\$255M below AFE for Appomattox

No unplanned BOP pulls

*“Excellent alignment and superior customer focus from Transocean has been the enabler for this exceptional performance”*  
- Shell Performance Report

# Discoverer India – A Strategic Upgrade



## Value Adds – Collaborating with OEMs

### Benefits

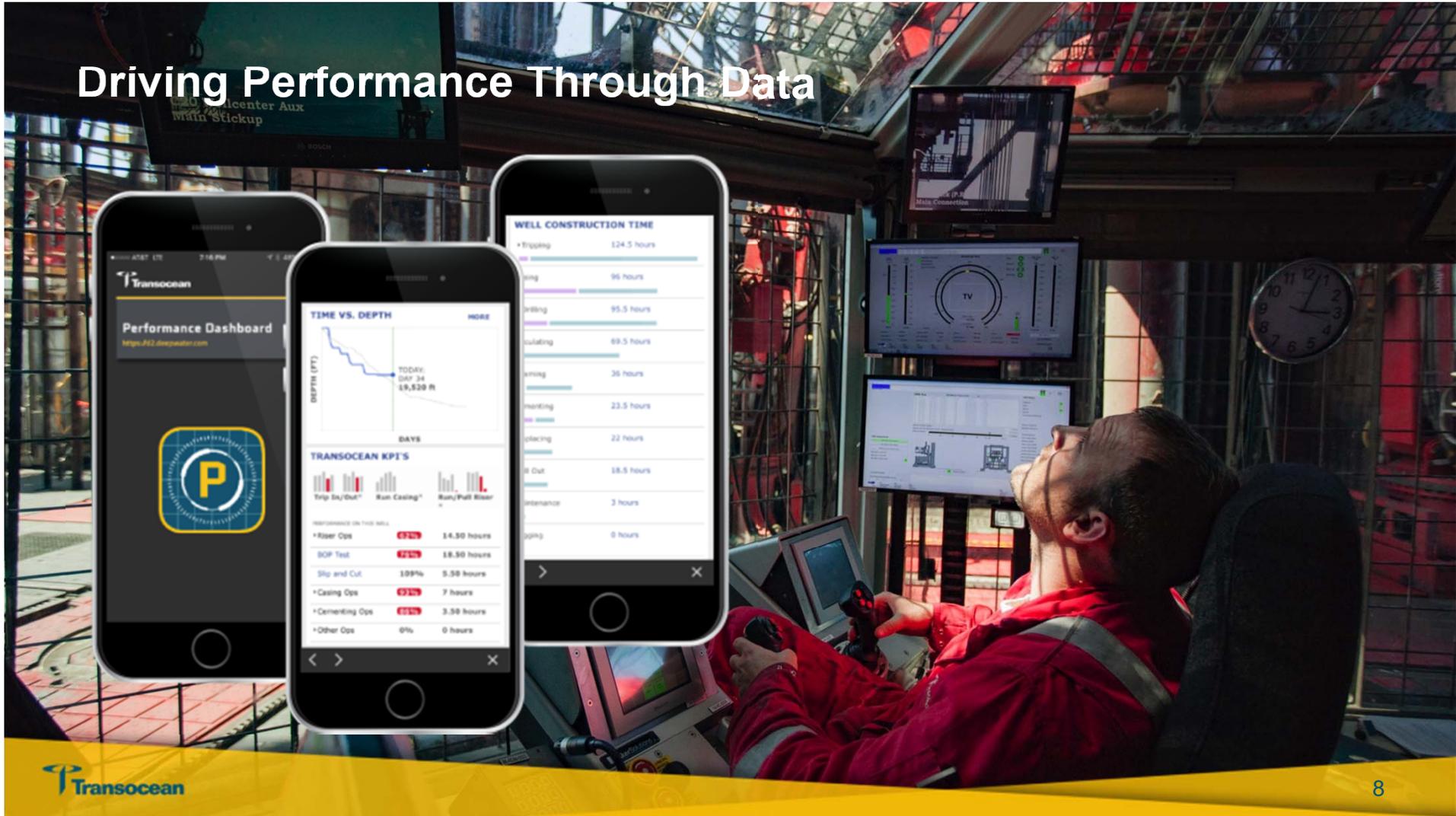
- Improving Uptime for our Customers
- Leveraging RIG and OEMs Strengths
- Reducing Total Cost of Ownership
- Usage-based Service Model
- Reliability-Centered Approach



Blowout Preventer (BOP)

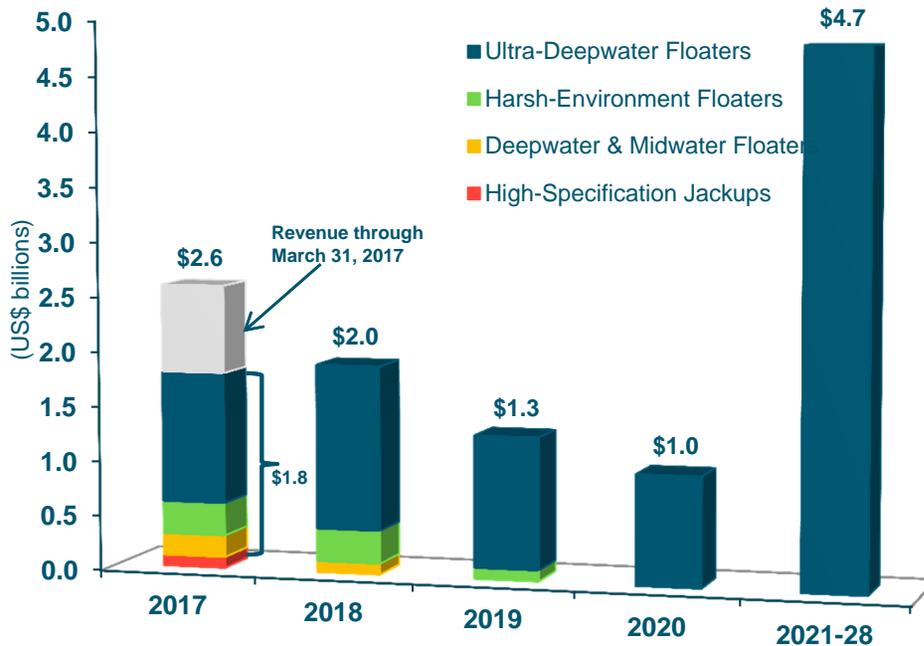


# Driving Performance Through Data



# Industry Leading Contract Backlog

Total backlog - \$10.8 billion\*



Extensive Customer Relationships\*\*

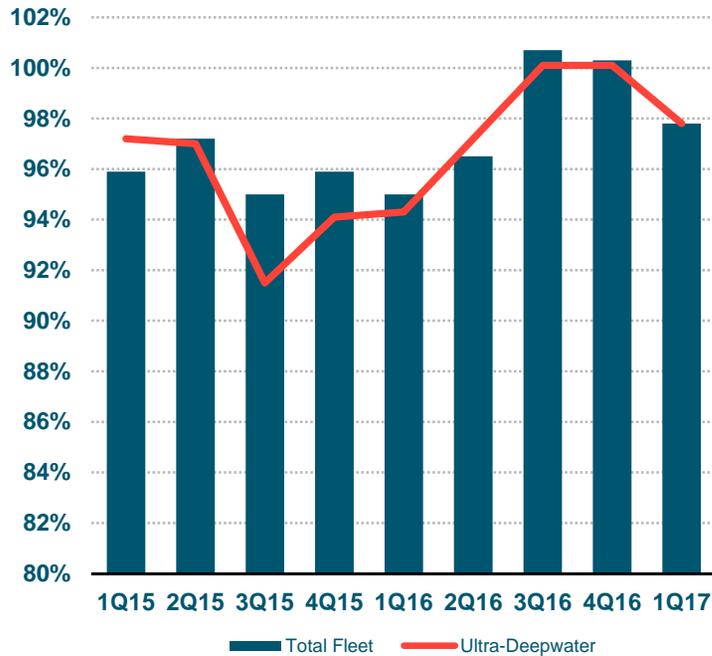


\* Contracted operating dayrate multiplied by the contract duration for future periods as of 4/24/17

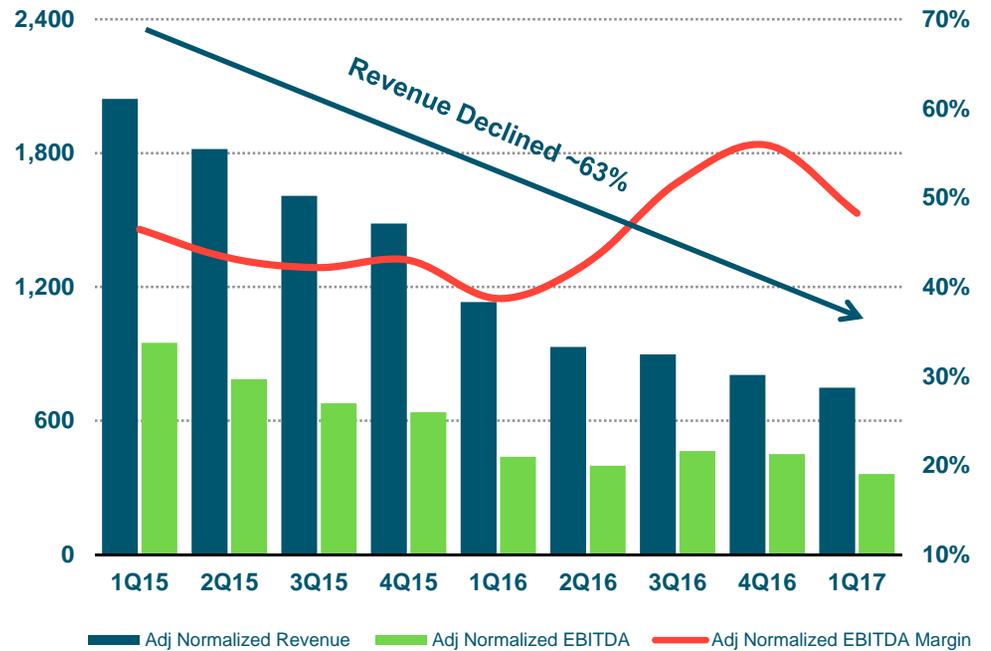
\*\* Listed companies may not have current backlog

# Proof of Performance

**Revenue Efficiency**  
Trailing 4 Quarters - 99%



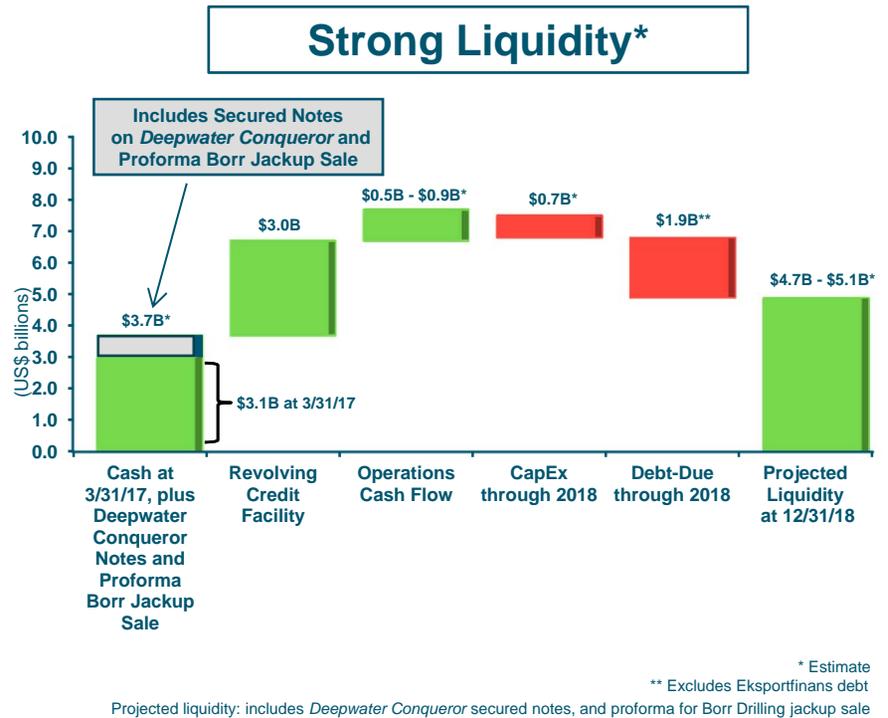
**Adjusted Normalized - Revenue & EBITDA**



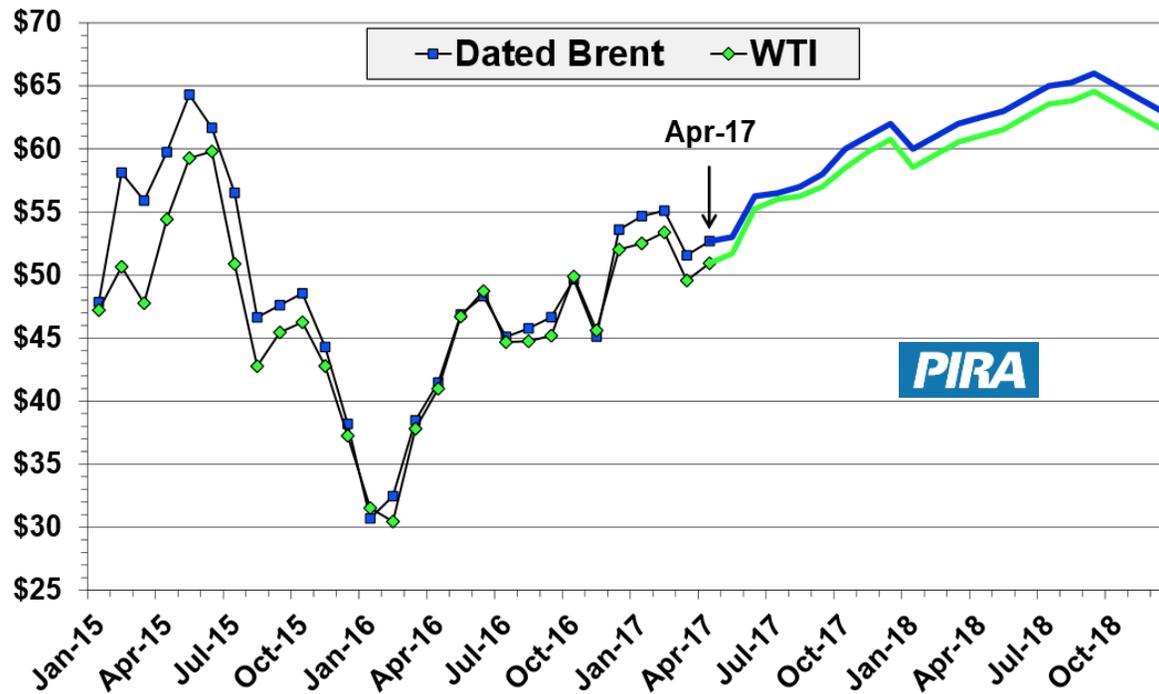
# Proactive Liquidity Management

## Liquidity Accomplishments

- Issued \$1.25B senior unsecured notes due 2023
- Issued senior secured notes
  - \$410M due 2022
  - \$1.23B due 2024
- Opportunistically repurchased debt
  - \$902M open market
  - \$981M via tender
- Deferred payments for uncontracted newbuilds
- Acquired Transocean Partners

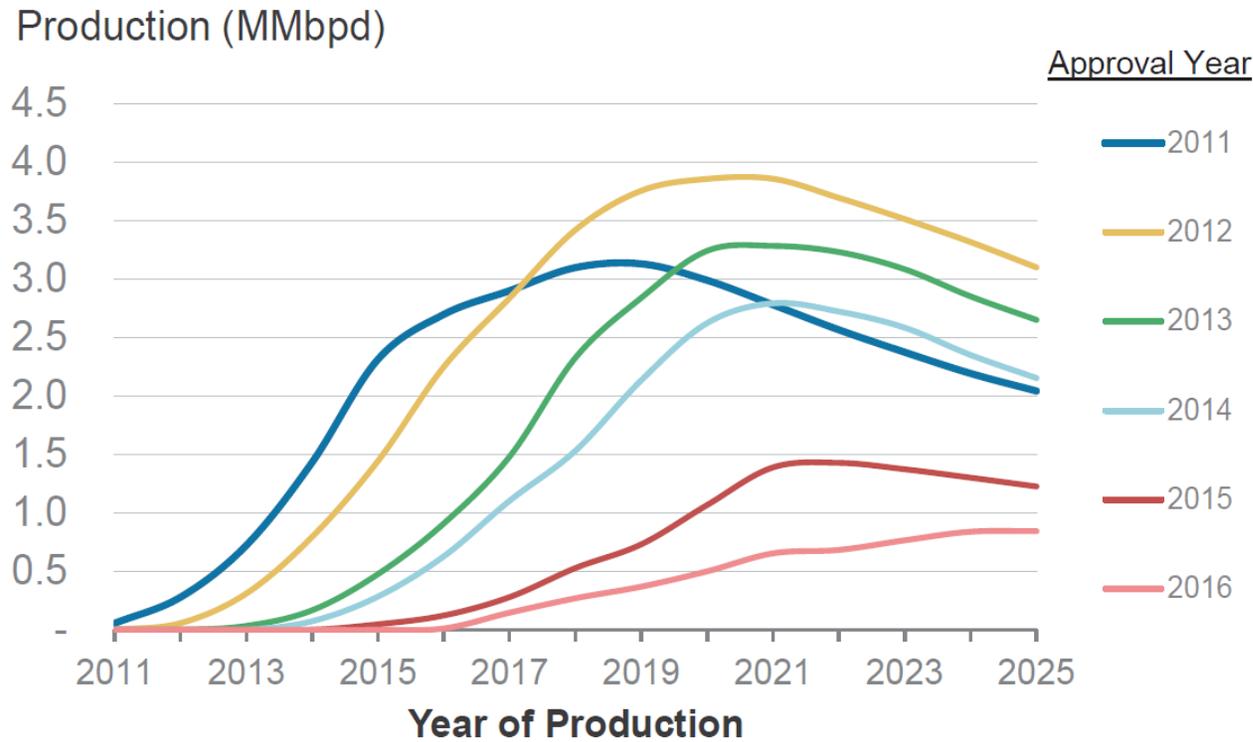


# Oil Price Forecasts



Source: PIRA April 2017 World Oil Market Forecast

# Oil Production from Prior CapEx Cycles is Starting to Peak

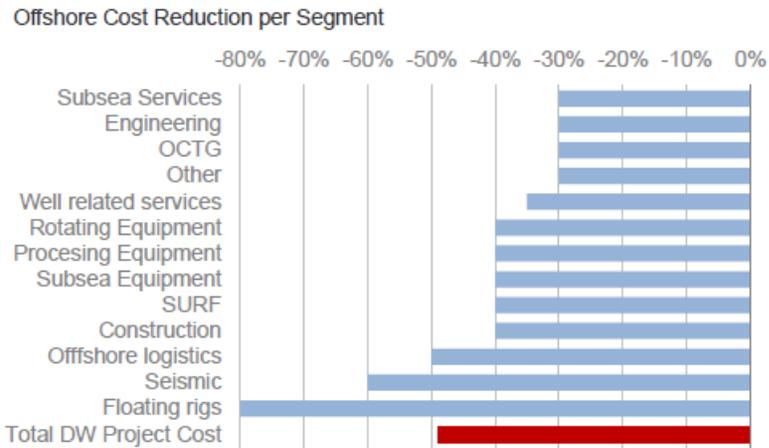


Prior CapEx  
Cycles are  
Losing  
Momentum

Source: Morgan Stanley, Rystad Energy. Analysis excludes shale resources due to short cycle nature

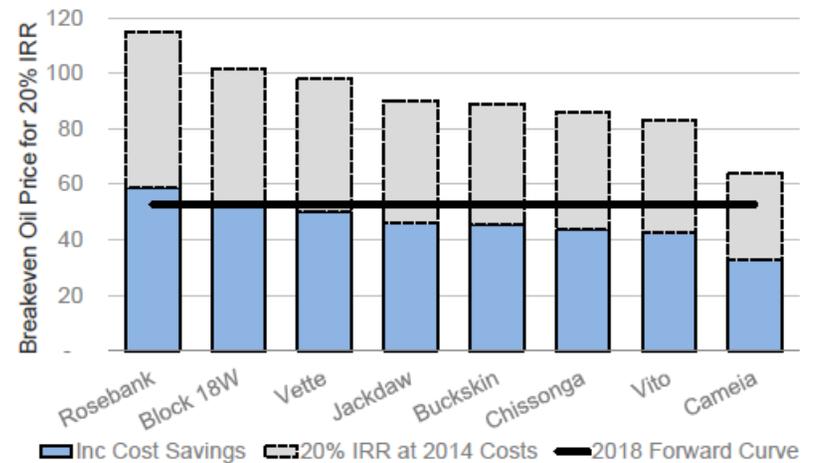
# Cost Reductions Make Offshore Competitive with Onshore

Offshore deepwater costs have declined by as much as 50%, driven largely by structural improvements...



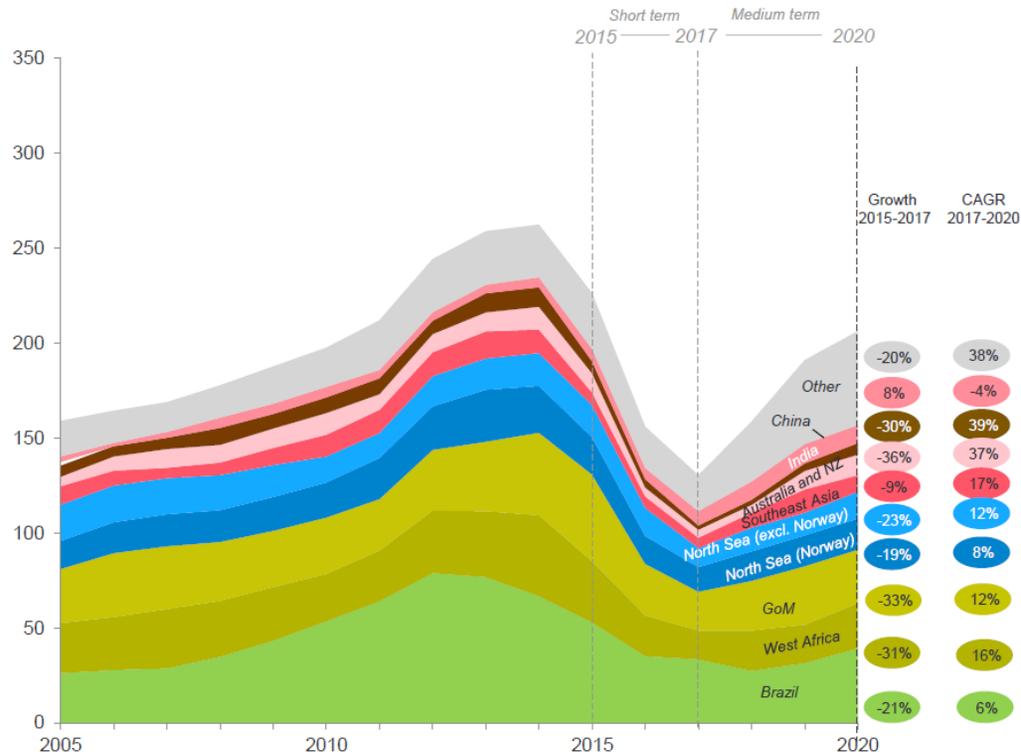
Source: Morgan Stanley Research, April 2017; Wood Mackenzie

...as a result, breakevens for a number of major offshore projects have declined from \$91/bbl to \$46/bbl



Source: Morgan Stanley Research, April 2017; Wood Mackenzie

# Global Demand for Floaters Approaching 200 by 2020



Source: Rystad Energy RigCube, May 2017



*Transocean Spitsbergen*

## Summary and the Path Forward

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Transocean will:

- Deliver the safest, most reliable and efficient operating results
- Remain the industry's undisputed leader in the ultra-deepwater and harsh-environment markets
  - High quality assets
  - Strongest backlog
- Use our unmatched experience and technical capabilities to strengthen our market leadership
- Remain focused on a strong / flexible financial position
- Position talent and assets for recovery



*Deepwater Thalassa*



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