

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): February 15, 2005

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):

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

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

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

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

ITEM 2.02 Results of Operations and Financial Condition.

Our press release dated February 15, 2005, concerning fourth quarter and full year 2004 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, adjusted for the December 2004 TODCO secondary offering, the non-cash charge from the deconsolidation of TODCO relating to the tax sharing agreement between Transocean and TODCO and losses on early retirements of debt on a total and per share basis for the quarter ended December 31, 2004. We also discuss net income adjusted for the gains from the TODCO offerings, the gain on the sale of the semisubmersible SEDCO 602, the non-cash charge from the deconsolidation of TODCO relating to the tax sharing agreement between Transocean and TODCO, losses on early retirements of debt and TODCO IPO-related costs, on a total and per share basis for the twelve months ended December 31, 2004. In addition, we discuss net income, after adjusting for the effect of the restructuring of certain benefit plans in Nigeria on a total and per share basis for the quarter ended December 31, 2003. We also discuss net income, adjusted for the restructuring of certain benefit plans in Nigeria, non-cash charges for impairment of certain assets, losses on early retirements of debt, TODCO IPO related costs and the favorable resolution of a non-U.S. income tax liability, on a total and per share basis for the twelve months ended December 31, 2003. 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 field operating income for our Transocean Drilling business segment for the quarters ended September 30, 2004 and December 31, 2004. We also discuss field operating income for our TODCO business segment from October 1, 2004 to December 17, 2004. 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.

In the press release, we also discuss net debt at December 31, 2003 and at December 31, 2004. 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.

The information furnished pursuant to this Item 2.02, 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.

ITEM 9.01 Financial Statements and Exhibits

(c) Exhibits.

The following exhibit is furnished pursuant to Item 2.02:

Exhibit Number	Description
99.1	Transocean Inc. Press Release Reporting Fourth Quarter and Full Year 2004 Financial Results.

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: February 15, 2005

By: /s/ William E. Turcotte

William E. Turcotte
Associate General Counsel

INDEX TO EXHIBITS

The following exhibit is furnished pursuant to Item 2.02:

Exhibit Number	Description
99.1	Transocean Inc. Press Release Reporting Fourth Quarter and Full Year 2004 Financial Results.

(TRANSOCEAN LOGO)

TRANSOCEAN INC.
Post Office Box 2765
Houston TX 77252 2765ANALYST CONTACT: Jeffrey L. Chastain
713 232 7551
MEDIA CONTACT: Guy A. Cantwell
713 232 7647NEWS RELEASE
FOR RELEASE: February 15, 2005TRANSOCEAN INC. REPORTS
FOURTH QUARTER AND FULL-YEAR 2004 RESULTS

HOUSTON--Transocean Inc. (NYSE: RIG) today reported a net loss for the three months ended December 31, 2004 of \$73.4 million, or \$0.23 per diluted share, on revenues of \$676.9 million. The results compare to net income of \$5.5 million, or \$0.02 per diluted share, on revenues of \$591.5 million, for the corresponding three months in 2003. Net income adjusted(1) for the gain from the December 2004 TODCO secondary offering, the non-cash charge from the deconsolidation of TODCO relating to the tax sharing agreement between Transocean and TODCO, and losses on early retirements of debt was \$2.1 million, or \$0.01 per diluted share. This result compares to net income(1) of \$22.9 million, or \$0.07 per diluted share for the three months ended December 31, 2003, after adjusting for the effect of the restructuring of certain benefit plans in Nigeria.

For the 12 months ended December 31, 2004, net income totaled \$152.2 million, or \$0.47 per diluted share, on revenues of \$2,613.9 million, compared to net income of \$19.2 million or \$0.06 per diluted share, on revenues of \$2,434.3 million for the 12 months ended December 31, 2003. Net income adjusted(1) for the gains from the TODCO offerings, a gain on the sale of the semisubmersible rig Sedco 602, the non-cash charge from the deconsolidation of TODCO relating to the tax sharing agreement between Transocean and TODCO, losses on early retirements of debt and TODCO initial public offering (IPO)-related costs was \$103.4 million, or \$0.32 per diluted share for the 12 months ended December 31, 2004. For the 12 months ended December 31, 2003, net income adjusted(1) for the restructuring of certain benefit plans in Nigeria, non-cash charges for impairment of certain assets, losses on early retirements of debt, costs related to the planned IPO of TODCO and a favorable resolution of a non-U.S. income tax liability, was \$71.0 million, or \$0.22 per diluted share.

Robert L. Long, President and Chief Executive Officer of Transocean Inc., stated, "The fourth quarter of 2004 was a challenging time as we concentrated our efforts on completing repairs on the jackup rig Trident 20 and semisubmersible rig Jim Cunningham, commenced reactivation efforts on four semisubmersible rigs that had been idle for extended periods and completed the mobilization of three High-Specification Floaters and three Jackup Rigs between market sectors. At the same time, we had success with our fleet marketing efforts as we finalized negotiations leading to term contracts on three Fifth-Generation rigs at dayrates ranging from \$190,000 to \$240,000.

The successful efforts have continued into 2005 as evidenced by the recent contracts for the drillship Discoverer Spirit and semisubmersible rig Deepwater Nautilus at dayrates of \$270,000 and \$220,000, respectively, that are expected to commence by the end of September 2005. In our fleet of Other Floaters, we obtained contracts on four previously stacked rigs and have subsequently secured additional contracts on two of these units at improved dayrates that exceed \$100,000. In addition, our Jackup Rig fleet, which operates internationally, is experiencing a continued rise in dayrates with contracts on two rigs signed during late 2004 above \$70,000, an improvement from dayrates of \$55,000 to \$60,000 seen earlier in the year."

In closing, Mr. Long stated, "We begin 2005 with an improving outlook for all segments of our fleet, especially among our 13 Fifth-Generation rigs, where capacity constraints are evident for the next 12 to 24 months. As a result, the prospect for improving utilization and dayrates among our fleet of drillships, semisubmersibles and jackups is excellent. However, our industry will experience higher costs in 2005 relative to levels seen in the recent past, due in part to higher personnel costs required to support the increased level of offshore drilling activity."

TODCO Deconsolidation - In December 2004, Transocean Inc. completed a public offering of TODCO common stock, bringing the company's ownership interest in TODCO, comprised entirely of Class A common stock, to approximately 22% of total TODCO shares outstanding. Transocean received \$258.0 million in net proceeds from this offering and recognized a gain of \$140.0 million. In conjunction with the offering, Transocean converted its remaining shares of Class B common stock, which had five votes per share, into shares of Class A common stock, which have one vote per share, reducing its voting interest in TODCO to a level proportionate to its ownership interest. As a result, Transocean deconsolidated TODCO from its financial statements effective December 17, 2004 and will account for its remaining investment under the equity method of accounting.

Due to the deconsolidation of TODCO, the company recorded a non-cash charge of \$167.1 million related to contingent amounts due from TODCO under the tax sharing agreement between Transocean and TODCO. As TODCO generates income and utilizes its pre-IPO tax assets, TODCO is required to pay Transocean for the benefit received in accordance with the provisions of the tax sharing agreement. Transocean will recognize those amounts as other income.

Transocean Drilling Segment - Revenues for the three months ended December 31, 2004 improved 6% to \$591.0 million, compared to revenues of \$558.7 million during the three months ended September 30, 2004. The revenue improvement was due principally to higher average dayrates and activity. The effects of the higher average dayrates and activity were partially offset by idle time on the drillship Deepwater Millennium, as the unit transitioned between contracts in the Gulf of Mexico, mobilizations of the drillship Deepwater Pathfinder to Nigeria and the semisubmersible rig Transocean Rather to the North Sea, and the warm stacking of the semisubmersible rig M.G. Hulme, Jr. in Nigeria.

Operating income before general and administrative expenses(2) was \$73.9 million and field operating income(2) (defined as revenues less operating and maintenance expense) was \$177.7 million for the three months ended December 31, 2004. These amounts compared to operating income before general and administrative expenses and field operating income of \$88.7 million and \$198.2 million, respectively, for the three months ended September 30, 2004. The fourth quarter 2004 results were negatively impacted by a 15% increase in operating and maintenance expenses, to \$413.3 million, compared to third quarter 2004 levels. The increase was due primarily to an estimated \$20 million related to increased offshore activity, approximately \$9 million of higher costs to complete repairs on two previously damaged rigs, the jackup rig Trident 20 and semisubmersible rig Jim Cunningham, as well as costs totaling approximately \$14 million for a periodic survey on the semisubmersible rig Polar Pioneer and maintenance to the jackup rig J.T. Angel prior to commencing new term contracts. Repair and maintenance programs performed on the Trident 20, Polar Pioneer and J.T. Angel were completed during the fourth quarter of 2004 and each rig has returned to service. Repairs to the Jim Cunningham were completed in February 2005 and the rig has recommenced a drilling program in the eastern Mediterranean. Operating and maintenance expenses in the fourth quarter of 2004 were further increased by the impact of a weakening dollar and higher personnel costs. Fleet utilization averaged 69% during the three months ended December 31, 2004, including 80% average utilization for the company's 32 High-Specification Floaters, compared to average utilization of 67% and 81%, respectively, during the preceding quarter in 2004. The segment's average dayrate improved to \$93,900 during the fourth quarter of 2004 compared to \$91,100 in the preceding quarter of 2004, with the average dayrate for the High-Specification Floaters improving to \$149,000 during the fourth quarter of 2004 from \$142,200 during the preceding quarter of the year.

TODCO Segment - Revenues from October 1, 2004 to December 17, 2004, the deconsolidation date, were \$85.9 million, while operating income before general and administrative expenses (2) was \$5.0 million and field operating income(2) was \$24.4 million.

Effective Tax Rate - The company's effective tax rate(3) for the 12 months ended December 31, 2004 was 49.7%, based on adjusted income before taxes as previously mentioned. Included in the company's income tax expense are additional taxes related to a valuation allowance, which resulted from the TODCO IPO, partially offset by other adjustments to tax liabilities. The company's effective tax rate fluctuates in part because many of the jurisdictions in which the company operates have revenue-based tax regimes. This volatility is particularly evident when earnings are low. Similarly, the company expects the rate to decrease significantly as earnings improve.

Liquidity - Cash flow from operations totaled \$598.5 million for the 12 months ended December 31, 2004. During this period, Transocean recognized losses of \$76.5 million in conjunction with the early retirements of debt with an aggregate principal amount of \$774.8 million. The company funded the retirements primarily with cash from operations and cash received from the TODCO offerings. Net debt(4) declined 36% over the 12 months of 2004 to \$2,030.2 million from \$3,184.1 million at December 31, 2003.

Conference Call Information

Transocean will conduct a teleconference call at 10:00 a.m. ET on February 15. To participate, dial 303-262-2075 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 February 15 and can be accessed by dialing 303-590-3000 and referring to the passcode 11021711. 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 Information

Drilling rig status and contract information on Transocean Inc.'s offshore drilling fleet has been condensed into a report titled "Monthly Fleet Update," which is available through the company's website at www.deepwater.com. The report is 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 realization of amounts due under the tax sharing agreement with TODCO, opportunities and outlook for the company, including the company's Transocean Drilling business segment, dayrates, utilization, rig capacity constraints, contract commencement dates, 2005 cost levels, the effective tax rate, 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, effect of strike and other labor relations issues, effect of fire, future financial results, 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 a fleet of 93 mobile offshore drilling units. The company's mobile offshore drilling fleet, consisting of a large number of high-specification deepwater and harsh environment drilling units, is considered one of the most modern and versatile in the world due to its emphasis on technically demanding sectors of the offshore drilling business. The company's fleet consists of 32 High-Specification Floaters (semisubmersibles and drillships), 24 Other Floaters, 26 Jackup Rigs and other assets utilized in the support of offshore drilling activities worldwide. With a current equity market capitalization in excess of \$14 billion, Transocean Inc.'s ordinary shares are traded on the New York Stock Exchange under the symbol "RIG."

(1) Net income adjusted for certain items, a non-GAAP measure, is computed by subtracting from or adding to net income, a GAAP measure, items that occurred during the periods reported and are considered by management to be outside the normal course of operations. A reconciliation for the periods reported may be found in the accompanying schedule titled Non-GAAP Financial Measures and Reconciliations - Adjusted Net Income (Loss) and Diluted Earnings (Loss) Per Share.

(2) For a reconciliation of segment operating income before general and administrative expense to field operating income, see the accompanying schedule titled Non-GAAP Financial Measures and Reconciliations - Operating Income (Loss) Before General and Administrative Expense to Field Operating Income (Loss) by Segment.

(3) For the analysis of the effective tax rate, see the accompanying schedule titled Effective Tax Rate Analysis.

(4) Net Debt is a non-GAAP measure defined as total debt less cash and cash equivalents.

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from TODCO offerings			
140.0	--		
308.8	--	Non-cash TODCO tax sharing agreement charge	
(167.1)	--		
(167.1)	--	Loss on retirement of debt (48.4)	
		- (76.5)	
		(15.7)	
		Impairment loss on note receivable from related party	-- --
		- (21.3)	
0.5	0.4	(3.0)	
		(110.3)	
(46.2)	(87.6)		
		(218.1)	
Income (Loss) Before Income Taxes, Minority Interest and Cumulative Effect of a Change in Accounting Principle			
(54.1)	(0.7)		
240.3	21.6		
Income Tax Expense (Benefit)			
17.1	(5.3)		
91.3	3.0		
Minority Interest	2.2		
(0.1)	(3.2)		
0.2	Income (Loss) Before Cumulative Effect of a Change in Accounting Principle		
(73.4)	4.7		
152.2	18.4		
Cumulative Effect of a Change in Accounting Principle	--		
0.8	--	0.8	
Net Income (Loss)	\$		
(73.4)	\$ 5.5		
	\$ 152.2	\$	
19.2	Earnings Per Share Basic and Diluted	\$	
(0.23)	\$ 0.02		
\$ 0.47	\$ 0.06		
Weighted Average Shares Outstanding			
Basic	321.2		
	319.9	320.9	
319.8	Diluted		
	321.2	321.3	
	325.2	321.4	

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

December 31,

----- 2004
2003 -----

ASSETS	
Cash and Cash Equivalents	
\$ 451.3	\$ 474.0
Accounts Receivable, net	
Trade 426.5	435.3
Other 15.5	45.0
Materials and Supplies, net	
144.7	152.0
Deferred Income Taxes	
19.0	41.0
Other Current Assets	
52.1	31.6
Total Current Assets	
1,109.1	1,178.9
Property and Equipment	
9,732.9	10,673.0
Less Accumulated Depreciation	
2,727.7	2,663.4
Property and Equipment, net	
7,005.2	8,009.6
Goodwill	
2,251.9	2,230.8
Investments in and Advances to Joint Ventures	
109.2	5.5
Deferred Income Taxes, net	
43.8	28.2
Other Assets	
239.1	209.6
Total Assets	
\$ 10,758.3	\$ 11,662.6
LIABILITIES AND SHAREHOLDERS' EQUITY	
Accounts Payable	
\$ 180.8	\$ 146.1

Accrued		
Income Taxes	17.1	57.2
Debt Due		
Within One		
Year	19.4	
Other	45.8	
Current		
Liabilities	213.0	262.0
Total		
Current		
Liabilities	430.3	511.1
Long-Term		
Debt	2,462.1	
	3,612.3	
Deferred		
Income Taxes	124.1	42.8
Other Long-		
Term		
Liabilities	345.2	299.4
Total Long-		
Term		
Liabilities	2,931.4	3,954.5
Commitments		
and		
Contingencies		
Minority		
Interest	4.0	
	4.4	
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,		
321,533,998		
and		
319,926,500		
shares		
issued and		
outstanding		
at December		
31, 2004 and		
2003,		
respectively	3.2	3.2
Additional		
Paid-in		
Capital	10,695.8	10,643.8
Accumulated		
Other		
Comprehensive		
Loss (24.4)	(20.2)	
Retained		
Deficit	(3,282.0)	(3,434.2)
Total		
Shareholders'		
Equity		

7,392.6

7,192.6

Total

Liabilities

and

Shareholders'

Equity \$

10,758.3 \$

11,662.6

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

Three Months Ended
Twelve Months
Ended December 31,
December 31, -----

----- 2004
2003 2004 2003 ---

--- CASH FLOWS			
FROM OPERATING			
ACTIVITIES Net			
income (loss) \$			
(73.4) \$ 5.5 \$			
152.2 \$ 19.2			
Adjustments to			
reconcile net			
income (loss) to			
net cash provided			
by operating			
activities			
Depreciation	126.2		
127.1	524.6	508.2	
Stock-based			
compensation			
expense	7.6	2.0	
25.3	6.3	Deferred	
income taxes	(2.3)		
(58.1)	18.1	(98.5)	
Equity in			
(earnings) losses			
of joint ventures			
(1.5)	2.2	(9.2)	
(5.1)	Net (gain)		
loss from disposal			
of assets	4.4	1.2	
(19.2)	13.4	Gain	
from TODCO			
offerings	(140.0)		
-- (308.8)	-- Non-		
cash TODCO tax			
sharing agreement			
charge	167.1	--	
167.1	-- Loss on		
retirement of debt	48.4	-- 76.5	15.7
Impairment loss on			
long-lived assets	-- (0.3)	-- 16.5	
Impairment loss on			
note receivable			
from related party	-- -- --	21.3	
Amortization of			
debt-related			
discounts/premiums,			
fair value			
adjustments and			
issue costs, net			
(3.6)	(8.2)	(21.2)	
(24.3)	Deferred		
income, net	22.7		
11.3	37.8	4.4	
Deferred expenses,			
net	(3.5)	(30.8)	
(22.0)	(33.2)	Tax	
benefit from			
exercise of stock			
options	5.9	0.3	
5.9	0.3	Other	
long-term			
liabilities			
4.8			
(2.9)	10.2	10.8	

Other, net (5.5)			
(3.0) (6.1) 8.8			
Changes in			
operating assets			
and liabilities			
Accounts			
receivable (6.1)			
12.2 (29.3) 19.8			
Accounts payable			
and other current			
liabilities (54.8)			
(40.1) 6.3 6.5			
Income taxes			
receivable/payable,			
net (4.2) 26.2 1.2			
27.8 Other current			
assets (0.3) 16.5			
(10.9) 7.5 Net			
Cash Provided by			
Operating			
Activities 91.9			
61.1 598.5 525.4			
CASH FLOWS FROM			
INVESTING			
ACTIVITIES Capital			
expenditures			
(27.2) (421.2)			
(127.0) (493.8)			
Note issued to			
related party -- -			
- -- (46.1)			
Payments received			
from note issued			
to related party -			
- 44.2 -- 46.1			
Proceeds from			
disposal of			
assets, net 9.7			
4.3 56.0 8.4			
Deepwater Drilling			
II L.L.C.'s cash			
acquired, net of			
cash paid -- -- --			
18.1 Deepwater			
Drilling L.L.C.'s			
cash acquired --			
18.6 -- 18.6			
Proceeds from			
TODCO offerings			
258.0 -- 683.6 --			
Reduction of cash			
from the			
deconsolidation of			
TODCO (68.6) --			
(68.6) -- Joint			
ventures and other			
investments, net			
1.4 0.6 10.4 3.3			
Net Cash Provided			
by (Used in)			
Investing			
Activities 173.3			
(353.5) 554.4			
(445.4) CASH FLOWS			
FROM FINANCING			
ACTIVITIES			
Borrowings			
(repayments) on			
revolving credit			
agreement (50.0)			
250.0 (250.0)			
250.0 Repayments			
on other debt			
instruments			
(550.0) (285.5)			
(957.0) (1,252.7)			
Cash from			
termination of			
interest rate			
swaps -- -- --			
173.5 Net proceeds			

from issuance of ordinary shares under stock-based compensation plans	10.4	0.5	30.4	12.8
Financing costs --				
(4.9) -- (4.9)				
Other, net (0.1) -				
- 1.0 1.1 Net Cash				
Used in Financing				
Activities (589.7)				
(39.9) (1,175.6)				
(820.2) Net				
Decrease in Cash				
and Cash				
Equivalents				
(324.5) (332.3)				
(22.7) (740.2)				
Cash and Cash				
Equivalents at				
Beginning of				
Period 775.8 806.3				
474.0 1,214.2 Cash				
and Cash				
Equivalents at End				
of Period \$ 451.3				
\$ 474.0 \$ 451.3 \$				
474.0				

Transocean Inc.
Fleet Operating Statistics

Operating
Revenues (\$
Millions)

(1) -----

Twelve
Months Ended
Three Months
Ended

December 31,

- December
31,

September

30, December

31,

TRANSOCEAN
DRILLING
SEGMENT:
2004 2004
2003 2004
2003 -----

Contract
Drilling
Revenues

High-

Specification

Floaters:

Fifth-

Generation

Deepwater

Floaters \$

190.7 \$

192.8 \$

187.5 \$

781.0 \$

720.4 Other

Deepwater

Floaters \$

114.2 \$

112.5 \$ 96.9

\$ 438.1 \$

432.3 Other

High-

Specification

Floaters \$

45.7 \$ 34.2

\$ 31.9 \$

142.0 \$

128.5 Total

High-

Specification

Floaters \$

350.6 \$

339.5 \$

316.3 \$

1,361.1 \$

1,281.2

Other

Floaters \$

71.6 \$ 67.0

\$ 67.9 \$
 267.6 \$
 306.7
 Jackups \$
 108.1 \$
 101.4 \$
 104.6 \$
 417.6 \$
 446.9 Other
 Rigs \$ 23.7
 \$ 20.1 \$
 24.4 \$ 87.8
 \$ 83.9
 Subtotal \$
 554.0 \$
 528.0 \$
 513.2 \$
 2,134.1 \$
 2,118.7
 Other
 Revenues
 Client
 Reimbursable
 Revenues \$
 18.2 \$ 17.6
 \$ 18.1 \$
 73.8 \$ 82.7
 Integrated
 Services and
 Other \$ 18.8
 \$ 13.1 \$
 (0.2) \$ 72.5
 \$ 5.3
 Subtotal \$
 37.0 \$ 30.7
 \$ 17.9 \$
 146.3 \$ 88.0
 Segment
 Total \$
 591.0 \$
 558.7 \$
 531.1 \$
 2,280.4 \$
 2,206.7
 TODCO
 SEGMENT (3)
 Contract
 Drilling
 Revenues \$
 72.9 \$ 79.1
 \$ 56.1 \$
 282.3 \$
 209.8 Other
 Revenues
 Client
 Reimbursable
 Revenues \$
 5.7 \$ 5.6 \$
 4.3 \$ 21.9 \$
 17.8 Delta
 Towing and
 Other \$ 7.3
 \$ 8.4 \$ -- \$
 29.3 \$ --
 Subtotal \$
 13.0 \$ 14.0
 \$ 4.3 \$ 51.2
 \$ 17.8
 Segment
 Total \$ 85.9
 \$ 93.1 \$
 60.4 \$ 333.5
 \$ 227.6
 Total
 Company \$
 676.9 \$
 651.8 \$
 591.5 \$
 2,613.9 \$
 2,434.3

55,800 \$
52,500 \$
53,700 \$
53,100 \$
55,600 Other
Rigs \$
48,100 \$
44,700 \$
45,200 \$
45,100 \$
44,900
Segment
Total \$
93,900 \$
91,100 \$
87,900 \$
91,100 \$
89,400 TODCO
SEGMENT (3)
\$ 28,600 \$
27,300 \$
21,500 \$
26,900 \$
19,200 Total
Drilling
Fleet \$
74,200 \$
69,800 \$
67,400 \$
71,300 \$
67,200

Utilization
(2) -----

Twelve
Months Ended
Three Months
Ended
December 31,

- December
31,
September
30, December
31,

TRANSOCEAN
DRILLING
SEGMENT:
2004 2004
2003 2004
2003 -----

High-
Specification
Floaters:

Fifth-
Generation
Deepwater
Floaters 89%
83% 91% 88%
93% Other
Deepwater
Floaters 69%
78% 69% 74%
72% Other

High-
Specification
Floaters 92%
84% 74% 81%
74% Total

High-
Specification
Floaters 80%
81% 78% 81%
80% Other
Floaters 50%
45% 47% 45%
50% Jackups
81% 81% 81%
83% 85%
Other Rigs
54% 44% 53%
50% 45%

Segment
Total 69%
67% 68% 68%
69% TODCO
SEGMENT (3)
47% 45% 40%
43% 41%
Total
Drilling
Fleet 61%
58% 56% 58%
57%

- (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 in the period and utilization is defined as the total actual number of revenue earning days in the period as a percentage of the total number of calendar days in the period.
- (3) TODCO was deconsolidated effective December 17, 2004 following the December offering and subsequent conversion of the remaining Class B shares to Class A shares. Statistics are representative of the TODCO segment through December 16, 2004 for the three and twelve months ended December 31, 2004.

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

THREE MONTHS
 ENDED TWELVE
 MONTHS ENDED

DECEMBER 31,
 SEPTEMBER
 30, DECEMBER
 31, DECEMBER
 31, 2004
 2004 2003
 2004 2003 --

ADJUSTED NET
 INCOME
 (LOSS) Net
 income
 (loss) as
 reported \$
 (73.4) \$
 154.9 \$ 5.5
 \$ 152.2 \$
 19.2 Add
 back
 (subtract):
 After-tax
 non-cash
 TODCO tax
 sharing
 agreement
 charge 167.1
 -- -- 167.1
 -- After-tax
 gain from
 TODCO
 offerings
 (140.0)
 (129.4) --
 (308.8) --
 After-tax
 loss on
 retirement
 of debt 48.4
 -- -- 76.5
 13.8 After-
 tax gain
 from sale of
 Sedco 602 --
 -- -- (21.7)
 -- Tax
 valuation
 allowance
 related to
 TODCO IPO --
 -- -- 31.0 -
 - Stock
 option
 vesting
 resulting
 from the
 TODCO IPO --
 -- -- 7.1 --
 After-tax
 restructuring

valuation allowance related to TODCO IPO --		
-- -- 0.10 -		
- Stock option vesting resulting from the TODCO IPO --		
-- -- 0.02 -		
- After-tax restructuring of Nigeria benefit plans -- --		
0.05 -- 0.05		
After-tax IPO costs --		
-- -- --		
0.03 After-tax impairment loss on long-lived assets -- --		
-- -- 0.04		
After-tax impairment loss on note receivable from related party -- --		
-- -- 0.04		
Favorable resolution of a non-U.S. income tax liability --		
-- -- --		
(0.04) -----		

----- Net income as adjusted \$		
0.01 \$ 0.08		
\$ 0.07 \$		
0.32 \$ 0.22		

(TRANSOCEAN LOGO)
 TRANSOCEAN INC. AND SUBSIDIARIES
 NON-GAAP FINANCIAL MEASURES AND RECONCILIATIONS
 OPERATING INCOME (LOSS) BEFORE GENERAL AND ADMINISTRATIVE EXPENSE
 TO FIELD OPERATING INCOME (LOSS) BY SEGMENT
 (IN US\$ MILLIONS)

THREE MONTHS
 ENDED TWELVE
 MONTHS ENDED

- DECEMBER
 31, SEPTEMBER
 30, DECEMBER
 31, DECEMBER
 31, 2004 2004
 2003 2004
 2003 -----

Transocean
 Drilling
 Segment
 Operating
 revenue \$
 591.0 \$ 558.7
 \$ 531.1 \$
 2,280.4 \$
 2,206.7

Operating and
 maintenance
 expense 413.3
 360.5 354.1
 1,445.1
 1,367.9

Depreciation
 106.2 110.0
 104.1 432.6
 416.0

Impairment
 loss on long-
 lived assets
 -- -- -- --

5.2 Gain from
 sale of
 assets, net
 (2.4) (0.5)
 (2.5) (25.9)
 (4.9) -----

- Operating
 income before
 general and
 administrative
 expense 73.9
 88.7 75.4
 428.6 422.5

Add back:
 Depreciation
 106.2 110.0
 104.1 432.6
 416.0

Impairment
 loss on long-
 lived assets
 -- -- -- --

5.2 Gain from
 sale of
 assets, net

(2.4) (0.5)
(2.5) (25.9)
(4.9) -----

- Field
operating
income \$
177.7 \$ 198.2
\$ 177.0 \$
835.3 \$ 838.8

TODCO Segment
(1) Operating
revenue \$
85.9 \$ 93.1 \$
60.4 \$ 333.5
\$ 227.6
Operating and
maintenance
expense (2)
61.5 72.4
52.7 281.2
242.5
Depreciation
20.0 23.9
23.0 92.0
92.2
Impairment
loss on long-
lived assets
-- -- (0.3) -
- 11.3 Gain
from sale of
assets, net
(0.6) (0.8)
(0.4) (6.0)
(0.9) -----

- Operating
income (loss)
before
general and
administrative
expense 5.0
(2.4) (14.6)
(33.7)
(117.5) Add
back:
Depreciation
20.0 23.9
23.0 92.0
92.2
Impairment
loss on long-
lived assets
-- -- (0.3) -
- 11.3 Gain
from sale of
assets, net
(0.6) (0.8)
(0.4) (6.0)
(0.9) -----

- Field
operating
income (loss)
\$ 24.4 \$ 20.7
\$ 7.7 \$ 52.3

\$ (14.9) ----

- (1) Amounts are representative of TODCO's results through December 16, 2004. TODCO was deconsolidated effective December 17, 2004 in connection with the December offering and conversion of the Company's remaining Class B shares to Class A shares.
- (2) Q4 04, Q3 04, Q4 03, YTD Q4 04 and YTD Q4 03 include \$6.0 million, \$6.9 million, \$3.7 million, \$32.3 million and \$14.9 million, respectively, of operating and maintenance expense that TODCO classifies as general and administrative expense.

(TRANSOCEAN LOGO)
 TRANSOCEAN INC. AND SUBSIDIARIES
 NON-GAAP FINANCIAL MEASURES AND RECONCILIATIONS
 TOTAL DEBT TO NET DEBT RECONCILIATIONS
 (IN US\$ MILLIONS)

AS OF	AS OF
12/31/04	12/31/03

TOTAL DEBT TO	
NET DEBT	
RECONCILIATION	
Total Debt \$	
2,481.5	\$
3,658.1	
Deduct: Cash	
and Cash	
Equivalents	
451.3	474.0

Net Debt \$	
2,030.2	\$
3,184.1	-----

(TRANSOCEAN LOGO)
 TRANSOCEAN INC. AND SUBSIDIARIES
 EFFECTIVE TAX RATE ANALYSIS
 (IN US\$ MILLIONS)

THREE MONTHS
 ENDED TWELVE
 MONTHS ENDED

DECEMBER 31,
 SEPTEMBER
 30, DECEMBER
 31, DECEMBER
 31, 2004
 2004 2003
 2004 2003 --

Income before		
Income Taxes and Minority Interest \$	(54.1)	\$ 162.2
	(0.7)	\$ 240.3
240.3	\$ 21.6	
Add back (subtract):		
Stock option vesting resulting from the TODCO IPO	-- -- 7.1	-- --
Nigeria benefit plan restructuring	-- -- 17.1	17.7
Impairment loss on note receivable from related party	-- --	-- --
Impairment loss on long-lived assets	-- -- (0.3)	37.8
Loss on retirement of debt	48.4 -- -- 76.5	15.7
IP0- related costs	-- --	0.8
Gain on sale of Sedco 602	(0.1) -- --	(21.7)
Gain on TODCO offerings	(129.4) -- --	(308.8)

Non-cash
TODCO tax
sharing
agreement
charge 167.1
-- -- 167.1

--- ADJUSTED
INCOME
BEFORE

INCOME TAXES
AND MINORITY
INTEREST \$
21.3 \$ 32.8
\$ 16.9 \$
160.5 \$

101.6 Income
Tax Expense
\$ 17.1 \$ 6.3
\$ (5.3) \$
91.3 \$ 3.0

Add back
(subtract):
Valuation
allowance
related to
TODCO
offerings
(15.1) 13.7

-- (32.4) --
Other (0.2)
(0.9) --
(1.1) --

Changes in
estimates
(1) 16.4 5.5
-- 21.9 --

Nigeria
benefit plan
restructuring
-- -- (0.6)
-- (0.6)

Impairment
loss on note
receivable
from related
party -- --
-- -- --

Impairment
loss on
long-lived
assets -- --
(0.1) --

11.4 Loss on
retirement
of debt -- -
- -- 1.9

Favorable
resolution
of a non-
U.S. tax
liability --
-- -- --

14.6 -----

ADJUSTED
INCOME TAX
EXPENSE (2)
\$ 18.2 \$
24.6 \$ (6.0)
\$ 79.7 \$
30.3
EFFECTIVE

TAX RATE
-31.6% 3.9%
757.1% 38.0%
13.9%
EFFECTIVE
TAX RATE
ADJUSTED
85.4% 75.1%
-35.5% 49.7%
29.8%

- (1) Our estimates change as we file tax returns, settle disputes with tax authorities or become aware of other events.
- (2) The three months ended December 31, 2004, September 30, 2004 and December 31, 2003 include \$(3.3) million, \$10.1 million and \$(11.0) million, respectively, of additional tax expense (benefit) reflecting the catch-up effect of an increase (decrease) in the annual effective tax rate.