

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)

	09/30/17	06/30/17	03/31/17	
<b>Total Debt to Net Debt Reconciliation</b>				
Total debt	\$ 7,300	\$ 7,390	\$ 8,395	
Deduct: cash and cash equivalents	(2,717)	(2,471)	(3,093)	
Deduct: cash restricted for debt service	(137)	(195)	(135)	
<b>Net debt</b>	<b>\$ 4,446</b>	<b>\$ 4,724</b>	<b>\$ 5,167</b>	
<b>Total Debt to Adjusted Debt Reconciliation</b>				
Total debt	\$ 7,300	\$ 7,390	\$ 8,395	
Deduct: Eksportfinans loans	(27)	(76)	(74)	
<b>Adjusted debt</b>	<b>\$ 7,273</b>	<b>\$ 7,314</b>	<b>\$ 8,321</b>	
<b>Total Capital to Tangible Capital Reconciliation</b>				
Total equity	\$ 12,803	\$ 14,209	\$ 15,900	
Add: adjusted debt	7,273	7,314	8,321	
Total capital	20,076	21,523	24,221	
Deduct: goodwill	-	-	-	
Deduct: other intangible assets	-	-	-	
<b>Tangible capital</b>	<b>\$ 20,076</b>	<b>\$ 21,523</b>	<b>\$ 24,221</b>	
Total Debt / Total Capital	36.4%	34.3%	34.7%	
Adjusted Debt / Tangible Capital	36.2%	34.0%	34.4%	
	12/31/16	09/30/16	06/30/16	03/31/16
<b>Total Debt to Net Debt Reconciliation</b>				
Total debt	\$ 8,464	\$ 8,260	\$ 8,218	\$ 8,453
Deduct: cash and cash equivalents	(3,052)	(2,534)	(2,153)	(2,574)
Deduct: cash restricted for debt service	(184)	(133)	(177)	(179)
<b>Net debt</b>	<b>\$ 5,228</b>	<b>\$ 5,593</b>	<b>\$ 5,888</b>	<b>\$ 5,700</b>
<b>Total Debt to Adjusted Debt Reconciliation</b>				
Total debt	\$ 8,464	\$ 8,260	\$ 8,218	\$ 8,453
Deduct: Eksportfinans loans	(123)	(133)	(177)	(179)
<b>Adjusted debt</b>	<b>\$ 8,341</b>	<b>\$ 8,127</b>	<b>\$ 8,041</b>	<b>\$ 8,274</b>
<b>Total Capital to Tangible Capital Reconciliation</b>				
Total equity	\$ 15,805	\$ 15,392	\$ 15,140	\$ 15,056
Add: adjusted debt	8,341	8,127	8,041	8,274
Total capital	24,146	23,519	23,181	23,330
Deduct: goodwill	-	-	-	-
Deduct: other intangible assets	-	-	-	-
<b>Tangible capital</b>	<b>\$ 24,146</b>	<b>\$ 23,519</b>	<b>\$ 23,181</b>	<b>\$ 23,330</b>
Total Debt / Total Capital	35.1%	35.1%	35.5%	36.2%
Adjusted Debt / Tangible Capital	34.5%	34.6%	34.7%	35.5%