

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)

	<u>03/31/16</u>			
Total Debt to Net Debt Reconciliation				
Total debt	\$ 8,453			
Deduct: cash and cash equivalents	(2,574)			
Deduct: cash restricted for debt service	(179)			
Net debt	<u>\$ 5,700</u>			
Total Debt to Adjusted Debt Reconciliation				
Total debt	\$ 8,453			
Deduct: Eksportfinans loans	(179)			
Adjusted debt	<u>\$ 8,274</u>			
Total Capital to Tangible Capital Reconciliation				
Total equity	\$ 15,056			
Add: adjusted debt	8,274			
Total capital	23,330			
Deduct: goodwill	-			
Tangible capital	<u>\$ 23,330</u>			
Total Debt / Total Capital	36.2%			
Adjusted Debt / Tangible Capital	35.5%			
		<u>12/31/2015 (a)</u>	<u>09/30/15</u>	<u>06/30/15</u>
Total Debt to Net Debt Reconciliation				
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>
Total Debt to Adjusted Debt Reconciliation				
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>
Total Capital to Tangible Capital Reconciliation				
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>
Total Debt to Net Debt Reconciliation				
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>
Total Debt to Adjusted Debt Reconciliation				
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>
Total Capital to Tangible Capital Reconciliation				
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%

(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.