Transocean Ltd. Provides Quarterly Fleet Status Report

STEINHAUSEN, Switzerland—February 14, 2020—Transocean Ltd. (NYSE: RIG) today issued a quarterly Fleet Status Report that provides the current status of, and contract information for, the company’s fleet of offshore drilling rigs.

Since its last Fleet Status Report in October, Transocean added approximately $366 million in contract backlog, bringing total backlog to $10.2 billion.

This quarter’s report includes the following new contracts:

- **Leiv Eiriksson.** – Awarded a two-well contract, plus three one-well options in Norway;
- **Discoverer Inspiration** – Awarded a three-well contract, plus three one-well options in the U.S. Gulf of Mexico;
- **Deepwater Asgard** – Awarded an estimated 200-day contract, plus four 74-day options in the U.S. Gulf of Mexico;
- **Development Driller III** – Awarded a one-year contract in Trinidad;
- **Dhirubhai Deepwater KG2** – Awarded a 180-day contract, plus three one-well options in Myanmar;
- **Leiv Eiriksson** – Awarded a one-well contract in Norway;
- **Deepwater Invictus** – Customer exercised a one-year option in the U.S. Gulf of Mexico;
- **Transocean Norge** – Customer exercised two one-well options in Norway;
- **Deepwater Nautilus** – Customer exercised 180-day option in Malaysia; and
- **Deepwater Asgard** – Customer exercised a 74-day option in the U.S. Gulf of Mexico.

The report can be accessed on the company’s website: [www.deepwater.com](http://www.deepwater.com).

**About Transocean**

Transocean is a leading international provider of offshore contract drilling services for oil and gas wells. The company specializes in technically demanding sectors of the global offshore drilling business with a particular focus on deepwater and harsh environment drilling services, and believes that it operates the highest specification floating offshore drilling fleet in the world.

Transocean owns or has partial ownership interests in, and operates a fleet of 45 mobile offshore drilling units consisting of 28 ultra-deepwater floaters, 14 harsh environment floaters, and three midwater floaters. In addition, Transocean is constructing two ultra-deepwater drillships.

**Forward-Looking Statements**

The statements described in this press release that are not historical facts are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These statements contain words such as "possible," "intend," "will," "if," "expect," or other similar expressions. Forward-looking statements are based on management’s current expectations and assumptions, and are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. As a result, actual results could differ materially from those
indicated in these forward-looking statements. Factors that could cause actual results to differ materially include, but are not limited to, estimated duration of customer contracts, contract dayrate amounts, future contract commencement dates and locations, planned shipyard projects and other out-of-service time, sales of drilling units, timing of the company’s newbuild deliveries, operating hazards and delays, risks associated with international operations, actions by customers and other third parties, the future prices of oil and gas, the intention to scrap certain drilling rigs, the success of our business following the acquisitions of Songa Offshore SE and Ocean Rig UDW Inc., and other factors, including those and other risks discussed in the company's most recent Annual Report on Form 10-K for the year ended December 31, 2018, and in the company's other filings with the SEC, which are available free of charge on the SEC's website at: www.sec.gov. Should one or more of these risks or uncertainties materialize (or the other consequences of such a development worsen), or should underlying assumptions prove incorrect, actual results may vary materially from those indicated or expressed or implied by such forward-looking statements. All subsequent written and oral forward-looking statements attributable to the company or to persons acting on our behalf are expressly qualified in their entirety by reference to these risks and uncertainties. You should not place undue reliance on forward-looking statements. Each forward-looking statement speaks only as of the date of the particular statement, and we undertake no obligation to publicly update or revise any forward-looking statements to reflect events or circumstances that occur, or which we become aware of, after the date hereof, except as otherwise may be required by law. All non-GAAP financial measure reconciliations to the most comparative GAAP measure are displayed in quantitative schedules on the company’s website at: www.deepwater.com.

This press release, or referenced documents, do not constitute an offer to sell, or a solicitation of an offer to buy, any securities, and do not constitute an offering prospectus within the meaning of article 652a or article 1156 of the Swiss Code of Obligations. Investors must rely on their own evaluation of Transocean and its securities, including the merits and risks involved. Nothing contained herein is, or shall be relied on as, a promise or representation as to the future performance of Transocean.

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<tr>
<th>Rig Type/Name</th>
<th>Footnote References</th>
<th>Floater Type</th>
<th>Dynamically Positioned</th>
<th>Yr. % Entered Service</th>
<th>Water Depth (Feet)</th>
<th>Drilling Depth (Feet)</th>
<th>Location</th>
<th>Customer</th>
<th>估计合同开始日期</th>
<th>估计合同到期日期</th>
<th>估计合同当前金额（美元）</th>
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<td>(6)</td>
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**Additional Comments for Q1 2020 - Q4 2020**

- **Estimated Average Contract Dayrates ($)**
  - Q1 2020: $323,000
  - Q2 2020: $307,000
  - Q3 2020: $322,000
  - Q4 2020: $354,000

- **Paid mobilization in March**

- **30 days out of service in 2020**

- **21 days out of service in April 2020**

- **Not Disclosed**

- **Stacked March 2021**

- **Stacked February 2018**

- **Stacked June 2018**

- **Stacked Jan 2016**

- **Not Disclosed**

- **Paid mobilization in March**
<table>
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<tr>
<th>Rig Type/Name</th>
<th>Footnote References</th>
<th>Floater Type</th>
<th>Dynamically Positioned</th>
<th>Yr. (5) Entered Service</th>
<th>Water Depth (Feet)</th>
<th>Drilling Depth (Feet)</th>
<th>Location</th>
<th>Customer</th>
<th>Estimated Contract Start Date (6)</th>
<th>Estimated Contract Expiration Date (6)</th>
<th>Contract Expiration Contract Dollars (6)</th>
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Estimated Average Contract Dayrates (5):

- Q1 2020: $334,000
- Q2 2020: $298,000
- Q3 2020: $346,000
- Q4 2020: $274,000

Midwater Floaters (3):

- Sedco 714: 1982/1997, 1,880, 25,000, Skidded Nov. 2015
- Transocean 712: 1985, 1,880, 25,000, ConocoPhillips, Mar 19, Jan 21, Not Disclosed, Not Disclosed

Estimated Average Contract Dayrates (5):

- Q1 2020: $150,000
- Q2 2020: $150,000
- Q3 2020: $150,000
- Q4 2020: $150,000
### Drilling Rig Contract Information

<table>
<thead>
<tr>
<th>Rig Type/Name</th>
<th>Rig Type</th>
<th>Notes</th>
<th>Year</th>
<th>Contract Expiration</th>
<th>Contract Expiration Date</th>
<th>Contract Expiration Location</th>
<th>Contract Expiration Customer</th>
<th>Additional Comments for Q1 2020 - Q4 2020</th>
<th>Footnote 10 Notes</th>
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<td>Equinor</td>
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</table>
Revisions Noted in Bold

Footnotes

(1) Dates shown are the original service date and the date of the most recent upgrade, if any.

(2) Estimated Contract Start and Estimated Expiration Dates are generally calculated as follows: (1) for events estimated to occur between the 1st and 15th of a month, the previous month is reported (i.e. a contract which is estimated to commence on March 4, 2018 will be reported as commencing in February 2018) and (2) for events estimated to occur between the 16th and the end of a month, the actual month is reported (i.e. a contract which is estimated to commence on March 24, 2018 will be reported as commencing in March 2018). Expiration dates represent the company's current estimate of the earliest date the contract for each rig is likely to expire. Some rigs have two or more contracts in continuation, so the last line shows the estimated earliest availability. Many contracts permit the customer to extend the contract.

(3) Represents the full operating dayrate, although the average dayrate over the term of the contract will be lower and could be substantially lower. Does not reflect incentive programs which are typically based on the rig's operating performance against a performance curve. Please refer to the “Customer Contract Duration, Timing and Dayrates and Risks Associated with Operations” section of the Disclaimers & Definitions for a description of dayrates. This column may not reflect the rate currently being received under the contract as a result of an applicable standby rate or other rate, which typically is less than the contract dayrate.

(4) In September 2018, the contract was extended by 2 years through October 2021 and includes a blend and extend modification to the previous contract dayrate.

(5) Estimated Average Contract Dayrate is defined as the average contracted full operating dayrate to be earned per revenue earning day. See note (3) for definition of full operating dayrate.

(6) If the dayrate is disclosed, reflects the current contracted dayrate which could reflect prior cost escalations, or de-escalations, and could change in the future due to further cost escalations, or de-escalations.

(7) If the dayrate is disclosed, reflects the current contracted dayrate which, along with costs, includes a foreign currency component. Changes in the value of the U.S. Dollar relative to certain foreign currencies will result in an adjustment to the dayrate according to the terms of the contract. The dayrate adjustment generally offsets the foreign currency exchange-related change in costs.

(8) If the dayrate is disclosed, the contract provides for a bonus incentive opportunity not reflected in the current contract dayrate.

(9) Deepwater Atlas on order from Sembcorp Marine’s subsidiary, Jurong Shipyard, has a contractual delivery date of September 27, 2020.

(10) Fixed price options may be exercised at the customer’s discretion. During periods when dayrates on new contracts are increasing relative to existing contracts, the likelihood of customers’ exercising fixed price options increases. During periods when dayrates on new contracts are decreasing relative to existing contracts, the likelihood of customers’ exercising fixed price options declines.

(11) If exercised, a lump sum payment of $12.5 million shall be payable to the customer upon commencement of the option period.

(12) We hold a 33.0% ownership interest in the unconsolidated company owning the rig. Our customer has entered into the drilling contract with the operating company, a wholly owned subsidiary. Our contract backlog includes and we will recognize 100% of the contract drilling revenues associated with the drilling contract.

(13) Customer agreed to transfer dates from the GSF Development Driller I to the Dhirubhai Deepwater KG2.

(14) The start date for this contract is variable between January 1, 2020 and March 1, 2020. If the customer has not initiated drilling services by March 2, the rig will be on a standby rate paid by the customer at an undisclosed amount. The firm term for this contract is approximately 120 days. We estimated the contract value to be approximately $54 million dollars, including integrated services, mob and de-mob. Additionally, the contract includes two remaining one-well options priced at an undisclosed rate.

(15) The contract includes three priced options of 2 wells or a minimal duration of 120 days. Since the dayrate of the priced option is substantially lower than the dayrate of the firm contract and our expectation for the future market dayrate, we will defer recognition of a portion of the revenues billed during the firm contract period and recognize it during the option periods. The average dayrate during the firm and priced options period is $467,000.

(16) The contract is expected to start in the quarter indicated. Factors that could influence the contract start date include shipyard delivery, customer acceptance, and mobilization to operating location, among others.
incur operating costs at or above normal operating costs for approximately 30 days following initiation of stacking.

typically has reduced operating costs and is (i) preparing for an extended period of inactivity, (ii) expected to ... for an extended period, or (iii) completing a period of extended inactivity. However, stacked rigs will continue to

Stacking.

capable of drilling in water depths of greater than 300 feet and up to 4,499 feet.

capable of drilling in water depths equal to or greater than 4,500 feet and less than 7,500 feet; “Harsh Environment” are premium rigs equipped for year-round operations in harsh environments; “Midwater Floaters” are semisubmersible rigs

Fleet Classifications.

update or revise any forward looking statements, except as required by law.

may vary materially from those indicated. You should not place undue reliance on forward-looking statements. Each forward-looking statement speaks only as of the date of the particular statement, and we undertake no obligation to publicly

Transocean’s other filings with the SEC, which are available free of charge on the SEC’s website at www.sec.gov. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results

terrorism, political and other uncertainties inherent in non-U.S. operations (including the risk of war, civil disturbance, seizure or damage of equipment and exchange and currency fluctuations), the impact of governmental laws and regulations,

representing workers, operating hazards, factors affecting the duration of contracts including well-in-progress provisions, the actual amount of downtime, factors resulting in reduced applicable dayrates, hurricanes and other weather conditions,

exploration and development, exploration success by producers, oil and gas prices, competition and market conditions in the contract drilling industry, shipyard delays, actions and approvals of third parties, possible cancellation or suspension of

and planned shipyard projects and other out of service time. Such statements are subject to numerous risks, uncertainties and assumptions, including but not limited to, uncertainties relating to the level of activity in offshore oil and gas

exploration and development, exploration success by producers, oil and gas prices, competition and market conditions in the contract drilling industry, shipyard delays, actions and approvals of third parties, possible cancellation or suspension of drilling contracts as a result of mechanical difficulties or performance, Transocean's ability to enter into and the terms of future contracts, the availability of qualified personnel, labor relations and the outcome of negotiations with unions representing workers, operating hazards, factors affecting the duration of contracts including well-in-progress provisions, the actual amount of downtime, factors resulting in reduced applicable dayrates, hurricanes and other weather conditions, terrorism, political and other uncertainties inherent in non-U.S. operations (including the risk of war, civil disturbance, seizure or damage of equipment and exchange and currency fluctuations), the impact of governmental laws and regulations, the adequacy of sources of liquidity, the effect of litigation and contingencies and other factors described above and discussed in Transocean's most recently filed Form 10-K, in Transocean's Forms 10-Q for subsequent periods and in

Forward-Looking Statement. The statements made in the Fleet Update that are not historical facts are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements made in the Fleet Update include, but are not limited to, statements involving the estimated duration of customer contracts, contract dayrate amounts, future contract commencement dates and locations

The statements made in the Fleet Update that are not historical facts are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements made in the Fleet Update include, but are not limited to, statements involving the estimated duration of customer contracts, contract dayrate amounts, future contract commencement dates and locations and planned shipyard projects and other out of service time. Such statements are subject to numerous risks, uncertainties and assumptions, including but not limited to, uncertainties relating to the level of activity in offshore oil and gas exploration and development, exploration success by producers, oil and gas prices, competition and market conditions in the contract drilling industry, shipyard delays, actions and approvals of third parties, possible cancellation or suspension of drilling contracts as a result of mechanical difficulties or performance, Transocean's ability to enter into and the terms of future contracts, the availability of qualified personnel, labor relations and the outcome of negotiations with unions representing workers, operating hazards, factors affecting the duration of contracts including well-in-progress provisions, the actual amount of downtime, factors resulting in reduced applicable dayrates, hurricanes and other weather conditions, terrorism, political and other uncertainties inherent in non-U.S. operations (including the risk of war, civil disturbance, seizure or damage of equipment and exchange and currency fluctuations), the impact of governmental laws and regulations, the adequacy of sources of liquidity, the effect of litigation and contingencies and other factors described above and discussed in Transocean's most recently filed Form 10-K, in Transocean's Forms 10-Q for subsequent periods and in Transocean's other filings with the SEC, which are available free of charge on the SEC's website at www.sec.gov. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those indicated. You should not place undue reliance on forward-looking statements. Each forward-looking statement speaks only as of the date of the particular statement, and we undertake no obligation to publicly update or revise any forward looking statements, except as required by law.

Fleet Classifications. Transocean uses classifications for its drillships, semisubmersibles, and jackup rigs. The classifications reflect the company’s strategic focus on the ownership and operations of premium, high-specification units and are approximately as follows: “Ultra-Deepwater” are the latest generation of drillships and semisubmersible rigs and are capable of drilling in water depths equal to or greater than 7,500 feet; “Deepwater” rigs are drillships and semisubmersible rigs capable of drilling in water depths equal to or greater than 4,500 feet and less than 7,500 feet; “Harsh Environment” are premium rigs equipped for year-round operations in harsh environments; “Midwater Floaters” are semisubmersible rigs capable of drilling in water depths of greater than 300 feet and up to 4,499 feet.

Stacking. An “Idle” rig is primarily between contracts, readily available for operations, and operating costs are typically at or near normal levels. A “Stacked” rig, on the other hand, is primarily manned by a reduced crew or unmanned and typically has reduced operating costs and is (i) preparing for an extended period of inactivity, (ii) expected to continue to be inactive for an extended period, or (iii) completing a period of extended inactivity. However, stacked rigs will continue to incur operating costs at or above normal operating costs for approximately 30 days following initiation of stacking.

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