

**Transocean and GlobalSantaFe Reclassification and Merger
Valuation Example: Pre- Versus Post-Transactions
Transocean Shareholder [1]**

	<u>Pre-Reclassification 11/26/2007</u>	<u>Post-Reclassification Pro Forma</u>
Share Value:		
Shares Held	1,000	699 [2]
Share Price	<u>\$129.39</u>	<u>\$137.74 [3]</u>
	\$129,390.00	\$96,280.26
Cash Payment:	\$0.00	\$33,030.00
Cash for Fractional Share:		
Fractional Share	0.0	0.6 [4]
Value of Fractional Share	<u>\$0.00</u>	<u>\$119.97 [5]</u>
Payment for Fractional Share	\$0.00	\$71.98
Total Value	\$129,390.00	\$129,382.24

- [1] This valuation model compares the value of a Transocean investor's holdings immediately prior to and after the close of the reclassification. The reclassification and merger closed on 11/27/07 prior to the beginning of trading on that date.
- [2] Post-reclassification shares held are calculated by multiplying pre-reclassification shares held by the conversion factor of .6996 and then truncating the fractional share, as follows: 699 shares = 1,000 shares X .6996 conversion factor - 0.6 shares.
- [3] The pro forma post-reclassification price is based on Transocean's 11/26/07 closing price, adjusted for the cash payment and conversion ratio into new Transocean shares, as follows: \$137.74 = (\$129.39 - \$33.03) / .6996. The actual opening price on 11/27/07 was \$133.38, which reflected prevailing market and industry factors on that date.
- [4] The fractional share was calculated as follows: 0.6 = 1,000 shares X .6996 conversion ratio - 699 whole shares.
- [5] The cash paid in lieu of fractional shares is based on the average closing price for the 20 consecutive trading days ending on the fifth trading day prior to the closing date.

**Transocean and GlobalSantaFe Merger
Valuation Example: Pre- Versus Post-Transactions
GlobalSantaFe Shareholder [1]**

	<u>Pre-merger 11/26/2007</u>	<u>Post-merger Pro Forma</u>
Share Value:		
Shares Held	1,000	475 [2]
Share Price	<u>\$86.83</u>	<u>\$137.74 [3]</u>
	\$86,830.00	\$65,426.50
Cash Payment:	\$0.00	\$22,460.00
Cash for Fractional Share:		
Fractional Share	0.0	0.7 [4]
Value of Fractional Share	<u>\$0.00</u>	<u>\$119.97 [5]</u>
Payment for Fractional Share	\$0.00	\$83.98
Total Value	\$86,830.00	\$87,970.48

- [1] This valuation model compares the value of a GlobalSantaFe investor's holdings immediately prior to and after the close of the merger. The reclassification and merger closed on 11/27/07 prior to the beginning of trading on that date
- [2] Post-merger shares held are calculated by multiplying pre-merger shares held by the conversion factor of .4757 and then truncating the fractional share, as follows: 475 shares = 1,000 shares X .4757 conversion factor - 0.7 shares.
- [3] The pro forma post-merger price is based on Transocean's 11/26/07 closing price, adjusted for the cash payment and conversion ratio into new Transocean shares, which occurred pursuant to the reclassification, as follows: $\$137.74 = (\$129.39 - \$33.03) / .6996$. The actual opening price on 11/27/07 was \$133.38, which reflected prevailing market and industry factors on that date.
- [4] The fractional share was calculated as follows: $0.7 = 1,000 \text{ shares} \times .4757 \text{ conversion ratio} - 475 \text{ whole shares}$.
- [5] The cash paid in lieu of fractional shares is based on the average closing price for the 20 consecutive trading days ending on the fifth trading day prior to the closing date.