

Transocean Ltd.
Form 10-Q
August 06, 2014

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark one)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2014

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 000-53533

TRANSOCEAN LTD.
(Exact name of registrant as specified in its charter)

Zug, Switzerland
(State or other jurisdiction of
incorporation or organization)

98-0599916
(I.R.S. Employer Identification No.)

10 Chemin de Blandonnet
Vernier, Switzerland

1214

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(Address of principal executive
offices)

(Zip Code)

+41 (22) 930-9000

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer Non-accelerated filer (do not check if a smaller reporting company) Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of July 29, 2014, 362,189,149 shares were outstanding.

TRANSOCEAN LTD. AND SUBSIDIARIES
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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

TRANSOCEAN LTD. AND SUBSIDIARIES
 CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
 (In millions, except per share data)
 (Unaudited)

	Three months ended		Six months ended	
	June 30,		June 30,	
	2014	2013	2014	2013
Operating revenues				
Contract drilling revenues	\$ 2,278	\$ 2,321	\$ 4,570	\$ 4,466
Other revenues	50	43	97	82
	2,328	2,364	4,667	4,548
Costs and expenses				
Operating and maintenance	1,213	1,357	2,482	2,716
Depreciation	288	286	561	561
General and administrative	63	77	120	144
	1,564	1,720	3,163	3,421
Loss on impairment	—	(37)	(65)	(37)
Gain (loss) on disposal of assets, net	1	(2)	(2)	(9)
Operating income	765	605	1,437	1,081
Other income (expense), net				
Interest income	15	11	25	28
Interest expense, net of amounts capitalized	(112)	(146)	(238)	(303)
Other, net	8	(16)	6	(17)
	(89)	(151)	(207)	(292)
Income from continuing operations before income tax expense	676	454	1,230	789
Income tax expense	72	132	152	151
Income from continuing operations	604	322	1,078	638
Loss from discontinued operations, net of tax	(7)	(11)	(15)	(14)
Net income	597	311	1,063	624
Net income (loss) attributable to noncontrolling interest	10	4	20	(4)
Net income attributable to controlling interest	\$ 587	\$ 307	\$ 1,043	\$ 628
Earnings (loss) per share-basic				
Earnings from continuing operations	\$ 1.63			