TRANSOCEAN INC
Form DEFM14A
October 03, 2007

Use these links to rapidly review the document
TABLE OF CONTENTS

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

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant ý

Filed by a Party other than the Registrant o

Check the appropriate box:

o Preliminary Proxy Statement

o **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

ý Definitive Proxy Statement

o Definitive Additional Materials

o Soliciting Material Pursuant to §240.14a-12

TRANSOCEAN INC.
GLOBALSANTAFE CORPORATION

(Name of Registrant as Specified In Its Charter)

N/A

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

o No fee required.

ý Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:
Ordinary shares, par value $0.01 per share, of GlobalSantaFe Corporation ("GlobalSantaFe")

(2) Aggregate number of securities to which transaction applies:
230,306,877 ordinary shares of GlobalSantaFe (including 2,717,548 ordinary shares reserved for issuance upon exercise of outstanding options to purchase ordinary shares, 1,273,665 ordinary shares reserved for issuance upon vesting of stock units and 992,429 ordinary shares reserved for issuance upon the exercise of share appreciation rights), as of August 22, 2007

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined): $67.22, the average of the high and low prices of GlobalSantaFe ordinary shares on August 28, 2007

(4) Proposed maximum aggregate value of transaction: $15,481,228,272

(5) Total fee paid: $475,274

ý Fee paid previously with preliminary materials.

o Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

PROPOSED TRANSACTIONS YOUR VOTE IS VERY IMPORTANT

The boards of directors of Transocean Inc. and GlobalSantaFe Corporation have approved a merger that will combine Transocean and GlobalSantaFe. The board of directors of Transocean has also approved a reclassification of the Transocean ordinary shares in connection with the merger. We believe that the merger will expand and enhance both companies' mobile offshore drilling unit fleets, thus better positioning the combined company to address the growing and more technologically challenging needs of their customers on a global basis. We believe that the merger will benefit the shareholders of both companies, and we ask for your support in voting for the proposals at our respective meetings.

When the reclassification of Transocean ordinary shares and the merger are completed, Transocean's shareholders will receive 0.6996 Transocean ordinary shares and $33.03 in cash in exchange for each Transocean ordinary share they currently own. Shareholders of GlobalSantaFe will receive 0.4757 Transocean ordinary shares (after giving effect to the reclassification) and $22.46 in cash in exchange for each GlobalSantaFe ordinary share they currently own. We expect that approximately 318 million of Transocean's ordinary shares will be outstanding after the reclassification and the merger, with the shareholders of Transocean and GlobalSantaFe immediately prior to the transactions holding approximately 66% and 34% of those shares, respectively.

The transactions cannot be completed without the approval of Transocean's shareholders of the reclassification, the issuance of Transocean ordinary shares in the merger and the amendment and restatement of Transocean's memorandum and articles of association, the approval of GlobalSantaFe's shareholders of the merger and the approval of the Cayman Islands court. We have scheduled separate meetings to be held on November 9, 2007 for our respective shareholders to vote on the matters requiring shareholder approval.

The Transocean and GlobalSantaFe boards of directors each recommend that their respective shareholders vote "FOR" the proposals.

The dates, times and places of these meetings are contained in the attached notices.

This joint proxy statement provides you with detailed information about the reclassification, the merger, the shareholder meetings and the hearing of the application for approval by the Cayman Islands court. You can also obtain financial and other information about Transocean and GlobalSantaFe from documents filed with the Securities and Exchange Commission. We encourage you to carefully read the joint proxy statement and the documents incorporated by reference.

Robert L. Long
Chief Executive Officer
Transocean Inc.

Jon A. Marshall
President and Chief Executive Officer
GlobalSantaFe Corporation

See "Risk Factors" beginning on page 20 for a discussion of risks that should be considered by Transocean's and GlobalSantaFe's shareholders before voting at their respective meetings.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved the Transocean ordinary shares to be issued in the merger or determined if this joint proxy statement is accurate or adequate. Any representation to the contrary is a criminal offense.

This joint proxy statement is dated October 2, 2007 and is first being mailed to shareholders of Transocean and GlobalSantaFe on or about October 5, 2007.

TRANSOCEAN INC.

P.O. BOX 10342
70 HARBOUR DRIVE, 4TH FLOOR
GRAND CAYMAN, KY1-1003
CAYMAN ISLANDS

NOTICE OF MEETING OF TRANSOCEAN INC. SHAREHOLDERS

To Be Held On November 9, 2007

To the holders of ordinary shares of Transocean Inc.:

We will hold a meeting of our shareholders at the Grand Cayman Marriott, Grand Cayman, Cayman Islands, commencing at 1:00 p.m., Cayman Islands time, on November 9, 2007. This meeting will be divided into two parts. The first part of the meeting will be convened, as required under Cayman law, pursuant to an order of the Grand Court of the Cayman Islands to vote on the first item described below. The second part of the meeting will be convened pursuant to our articles of association to vote on the remaining items described below. The formal notice relating to this meeting is attached as Annex K to the accompanying joint proxy statement. At the meeting, our shareholders will vote:

on the reclassification of our ordinary shares by a scheme of arrangement contemplated by the Agreement and Plan of Merger, dated as of July 21, 2007, among Transocean Inc., our direct wholly owned subsidiary, Transocean Worldwide Inc., and GlobalSantaFe Corporation (the "Agreement and Plan of Merger"), conditional upon completion of the transactions;

on the issuance of our ordinary shares to shareholders of GlobalSantaFe Corporation in the merger under the terms of the Agreement and Plan of Merger, conditional upon completion of the transactions;

as a special resolution, on the amendment and restatement of our memorandum and articles of association to, among other things, increase the maximum number of directors constituting the board of directors of Transocean Inc. from 13 to 14, provide for certain corporate governance provisions during the two-year period following the completion of the transactions and make technical, updating and other changes described in the accompanying joint proxy statement, conditional upon completion of the transactions; and

on any other matters that properly come before the meeting and any adjournments or postponements of the meeting.

We have established the close of business on October 1, 2007, as the record date for determining Transocean's shareholders entitled to notice of and to vote at the meeting or any adjournments or postponements of the meeting.

Your vote is very important. To ensure your shares are represented, you should complete, sign and date the enclosed proxy and return it promptly in the enclosed envelope, whether or not you expect to attend the meeting. You may revoke your proxy and vote in person if you decide to attend the meeting.

This notice incorporates the accompanying joint proxy statement.

By Order of the Board of Directors

Eric B. Brown
Secretary

October 2, 2007

GLOBALSANTAFE CORPORATION

P.O. BOX 309GT
UGLAND HOUSE
SOUTH CHURCH STREET
GEORGE TOWN
GRAND CAYMAN
CAYMAN ISLANDS

NOTICE OF MEETING OF

GLOBALSANTAFE CORPORATION SHAREHOLDERS

TO BE HELD ON NOVEMBER 9, 2007

To the holders of ordinary shares of GlobalSantaFe Corporation:

We will hold a meeting of our shareholders at the Grand Cayman Marriott, Grand Cayman, Cayman Islands, commencing at 1:00 p.m., Cayman Islands time, on November 9, 2007. This meeting will be divided into two parts. The first part of the meeting will be convened, as required under Cayman law, pursuant to an order of the Grand Court of the Cayman Islands. The second part of the meeting will be convened pursuant to our articles of association. The formal notice relating to this meeting is attached as Annex L to the accompanying joint proxy statement. At each part of the meeting, the GlobalSantaFe shareholders will vote:

to approve the Scheme of Arrangement and Amalgamation in connection with the Agreement and Plan of Merger, dated as of July 21, 2007, attached as Annex H to the accompanying joint proxy statement, pursuant to which GlobalSantaFe would merge with a wholly-owned subsidiary of Transocean Inc. ("Merger Sub") and each outstanding ordinary share of GlobalSantaFe would be exchanged for 0.4757 Transocean ordinary shares (after giving effect to the reclassification of Transocean's existing ordinary shares) and $22.46 in cash, the effect of which will be to transfer the assets, liabilities and undertaking of GlobalSantaFe to Merger Sub, conditional upon the completion of the merger; and

on any other matters that properly come before that part of the meeting and any adjournments or postponements thereof.

We have established the close of business on October 1, 2007, as the record date for determining GlobalSantaFe's shareholders entitled to notice of and to vote at the meeting or any adjournments or postponements of the meeting.

Your vote is very important. To ensure your shares are represented, you should complete, sign and date the enclosed proxy card and return it promptly in the enclosed envelope or submit your proxy using the Internet or telephone voting procedures described on your proxy card, whether or not you expect to attend the meeting. You may revoke your proxy and vote in person if you decide to attend the meeting.

This notice incorporates the accompanying joint proxy statement.

By Order of the Board of Directors

Alexander A. Krezel
Vice President, Secretary and
Associate General Counsel

October 2, 2007

This joint proxy statement incorporates documents by reference. See "Where You Can Find More Information" beginning on page 170 for a listing of documents incorporated by reference. Transocean documents are available to any person, including any beneficial owner, upon request directed to Investor Relations, Transocean Inc., 4 Greenway Plaza, Houston, Texas 77046, telephone (713) 232-7500. GlobalSantaFe documents are available to any person, including any beneficial owner, upon request directed to Investor Relations, GlobalSantaFe Corporation, 15375 Memorial Drive, Houston, Texas 77079, telephone (281) 925-6000. To ensure timely delivery of these documents, any request by Transocean shareholders should be made by November 2, 2007, and any request by GlobalSantaFe shareholders should be made by November 2, 2007. The exhibits to these documents will generally not be made available unless they are specifically incorporated by reference in this joint proxy statement.

TABLE OF CONTENTS

QUESTIONS AND ANSWERS ABOUT THE TRANSACTIONS

Q.

Please briefly describe the proposed transactions.

A.

GlobalSantaFe will merge (the "Merger") with Transocean Worldwide Inc., a recently formed subsidiary of Transocean ("Merger Sub"), by way of a scheme of arrangement qualifying as an amalgamation under Cayman Islands law, with the subsidiary of Transocean being the surviving entity following the Merger. Immediately prior to the Merger, outstanding Transocean ordinary shares will be reclassified into a smaller number of Transocean ordinary shares and cash by way of a separate scheme of arrangement (the "Reclassification"). We refer to the Merger and the Reclassification together as the "Transactions."

Q.

What will shareholders of Transocean and GlobalSantaFe receive as a result of the Transactions?

A.

As a result of the Transactions:

- each Transocean ordinary share will be exchanged for 0.6996 Transocean ordinary shares and $33.03 in cash, and
- each GlobalSantaFe ordinary share will be exchanged for 0.4757 Transocean ordinary shares (after giving effect to the Reclassification) and $22.46 in cash.

Fractional shares will not be issued. Instead, holders of ordinary shares of Transocean or GlobalSantaFe will receive cash for any fractional share to which they would otherwise be entitled.

Q.

Why are Transocean and GlobalSantaFe proposing to merge?

A.

The boards of directors of Transocean and GlobalSantaFe believe that the combined company will be the drilling contractor of choice for customers, investors and employees and will offer:

- *Customers* consistently high quality drilling services with an increased worldwide presence, backed by technological expertise and financial strength;
- *Investors* an investment in a combined company that we believe will provide a platform for increased shareholder value creation; and
- *Employees* career opportunities with a financially strong company that is an industry leader in the application of offshore drilling technology.

Q.

Will the Transocean ordinary shares be traded on an exchange?

A.

We expect that the ordinary shares of Transocean received in the Transactions will be listed on the New York Stock Exchange under the ticker symbol "RIG."

Q.

Who will serve on the board of directors of Transocean after the consummation of the Transactions?

A.

Upon the consummation of the Transactions, the Transocean board of directors will consist of 14 members, seven of whom will be current members of the Transocean board of directors designated by Transocean and seven of whom will be current members of the

GlobalSantaFe board of directors designated by GlobalSantaFe. Robert E. Rose, the current Chairman of the board of directors of GlobalSantaFe, will serve as Chairman of the board of directors of Transocean. Additional information about the composition of the board of directors of Transocean after the consummation of the Transactions is set forth in "The Transactions Interests of Certain Persons in the Transactions Governance and Management of Transocean Following the Transactions."

Q.

Who will serve as Transocean's executive officers after the consummation of the Transactions?

A.

Robert L. Long, the current Chief Executive Officer of Transocean, will serve

as Chief Executive Officer of Transocean, and Jon A. Marshall, the current President and Chief Executive Officer of GlobalSantaFe, will serve as President and Chief Operating Officer of Transocean. Additional information about the executive officers of Transocean after the consummation of the Transactions is set forth in "The Transactions Interests of Certain Persons in the Transactions Governance and Management of Transocean Following the Transactions."

Q.

What are the U.S. federal income tax consequences of the Transactions?

A.

Transocean expects that the Reclassification will be treated as a stock redemption for U.S. federal income tax purposes. Assuming the Reclassification is treated as a stock redemption, then a shareholder who, actually or constructively, owns no GlobalSantaFe ordinary shares at the time of the Reclassification and the Merger should generally recognize gain or loss in an amount equal to the difference between the cash received from Transocean and the tax basis of the shares considered to be redeemed. However, alternative tax treatments are possible.

The Merger is expected to qualify as a reorganization under section 368(a) of the Internal Revenue Code for U.S. federal income tax purposes. Assuming it does so qualify, GlobalSantaFe shareholders will generally recognize gain (but not loss) in an amount equal to the lesser of the cash received by the shareholder and the excess, if any, of (1) the sum of the cash and the fair market value of the Transocean ordinary shares received by the shareholder over (2) the shareholder's tax basis in the GlobalSantaFe ordinary shares exchanged in the Merger. Under certain circumstances this gain could be taxable as a dividend to the extent of the shareholder's ratable share of available earnings and profits.

Please refer to "The Transactions Material U.S. Federal Income Tax Consequences," beginning on page 96 of this joint proxy statement for a description of the material U.S. federal income tax consequences of the Reclassification to Transocean shareholders and the Merger to GlobalSantaFe shareholders. Determining the actual tax consequences of the Reclassification or Merger to you may be complex and will depend on your specific situation. You are urged to consult your tax adviser for a full understanding of the tax consequences of the Reclassification or Merger to you.

Q.

Do shareholders have appraisal rights?

A.

Under applicable law, none of the shareholders of Transocean or GlobalSantaFe has any right to receive an appraisal of the value of their shares in connection with the Transactions.

Q.

When do you expect the Transactions to be completed?

A.

We are working toward completing the Transactions as quickly as possible after all the conditions to the Transactions, including obtaining the approvals of our shareholders at the meetings, are fulfilled. Satisfying some of these conditions, including our receipt of governmental clearances or approvals and obtaining the approval of the Cayman Islands court, is not entirely within our control. We currently estimate that the parties will complete the Transactions by the end of 2007. However, the Transactions may not be completed until the first half of 2008. See Annex M for the current expected timetable.

Q.

What do I need to do to vote?

A.

Both companies' shareholder meetings will take place on November 9, 2007. After carefully reading and considering the information contained in this joint proxy statement and the documents incorporated by reference, please indicate on the enclosed proxy card how you want to vote. Submit your proxy by following the instructions on the enclosed proxy card as

soon as possible, so that your shares may be represented at your shareholder meeting. If you are a shareholder of both Transocean and GlobalSantaFe, then you will receive separate proxy cards relating to the matters to be approved by the shareholders of each company.

Q.

What vote does my board of directors recommend?

A.

The Transocean board of directors unanimously recommends that Transocean's shareholders vote "FOR" each of the Reclassification, the issuance of ordinary shares to GlobalSantaFe shareholders in the Merger and the amendment and restatement of Transocean's articles of association and memorandum of association, each of which are conditions to the Transactions.

The GlobalSantaFe board of directors recommends that GlobalSantaFe's shareholders vote "FOR" approval of the Merger, which is a condition to the Transactions.

Q.

What should I do if I want to change my vote?

A.

You can change your vote at any time before your proxy is voted at your shareholder meeting. You can do this in one of three ways:

- you can send a written notice stating that you would like to revoke your proxy;
- you can complete and timely submit a new proxy; or
- if you are a holder of record, you can attend your meeting and vote in person.

However, your attendance alone will not revoke your proxy.

If you have instructed a broker to vote your shares, you must follow the procedure provided by your broker to change those instructions.

Q.

What if I plan to attend the shareholder meeting in person?

A.

We recommend that you submit your proxy anyway. If you are a holder of record, you may still attend your shareholder meeting and vote in person.

Q.

If my shares are held in "street name" by my broker, will my broker vote my shares for me without my instructions?

A.

We recommend that you contact your broker. Your broker can give you directions on how to instruct the broker to vote your shares. Your broker may not be able to vote your shares unless the broker receives appropriate instructions from you.

Q.

Should I send in my share certificates?

A.

No. After the Transactions are completed, we will send written instructions, including a letter of transmittal, which explains how to exchange GlobalSantaFe share certificates and old Transocean share certificates for new uncertificated Transocean shares and a check representing the applicable cash payment. Please do not send in any share certificates until you receive these written instructions and the letter of transmittal.

Q.

Will I receive certificates for the new Transocean shares?

A.

No. Transocean intends to implement a direct registration system for record holders at the closing of the Transactions under which all of the Transocean ordinary shares issued to record holders in the Transactions will be issued in uncertificated book-entry form rather than through share certificates. Holders of shares in street name through brokers or banks will continue to hold in street name unless other action is taken.

Q. **Whom do I call if I have questions about the meetings or the Transactions?**

A. Transocean's shareholders should contact either of the following:

Transocean:

Gregory S. Panagos
Vice President, Investor Relations
Transocean Inc.
4 Greenway Plaza
Houston, Texas 77046
Fax: (713) 232-7001
Phone: (713) 232-7500

the Transocean proxy solicitor:

D. F. King & Co., Inc.
48 Wall Street, 22nd Floor
New York, NY 10005
Fax: (212) 269-2798
Phone: (212) 269-5550
or toll-free (800) 769-4414

GlobalSantaFe's shareholders should contact either of the following:

GlobalSantaFe:

Richard Hoffman
Vice President, Investor Relations
GlobalSantaFe Corporation
15375 Memorial Drive
Houston, Texas 77079
Fax: (281) 925-6398
Phone: (281) 925-6000

the GlobalSantaFe proxy solicitor:

Georgeson Inc.
17 State Street, 10th Floor
New York, New York 10004

Banks and brokers call collect:
(212) 440-9800

All others call toll-free:
(888) 605-8352

SUMMARY

This summary highlights selected information from this joint proxy statement. To understand the Transactions fully and for a more complete description of the legal terms of the Transactions, you should carefully read this entire joint proxy statement, including the annexes and the other documents to which we have referred in "Where You Can Find More Information" on page 170. We have included page references in this summary to direct you to more complete descriptions of the topics presented in this summary.

The Companies

Transocean Inc.
4 Greenway Plaza
Houston, Texas 77046
Phone: (713) 232-7500

Transocean is a leading international provider of offshore contract drilling services for oil and gas wells. As of October 1, 2007, Transocean owned, had partial ownership interests in or operated 82 mobile offshore drilling units. As of this date, Transocean's fleet included 33 High-Specification semisubmersibles and drillships ("High-Specification Floaters"), 20 Other Floaters, 25 Jackups and four Other Rigs. Transocean also has four High-Specification Floaters under construction.

Transocean's mobile offshore drilling fleet is considered one of the most modern and versatile fleets in the world. Transocean's primary business is to contract these drilling rigs, related equipment and work crews primarily on a daily rate (or "dayrate") basis to drill oil and gas wells. Transocean specializes in technically demanding segments of the offshore drilling business with a particular focus on deepwater and harsh environment drilling services. Transocean also provides additional services, including integrated services.

For further information on Transocean, see "Business of Transocean" on page 135.

GlobalSantaFe Corporation
15375 Memorial Drive
Houston, Texas 77079
Phone: (281) 925-6000

GlobalSantaFe is an offshore oil and gas drilling contractor, owning or operating a modern and diversified fleet of 59 marine drilling rigs, composed of 43 cantilevered jackup rigs, 11 semisubmersibles and three drillships, as well as two additional semisubmersibles that are operated for third parties under a joint venture agreement. GlobalSantaFe also has one semisubmersible rig under construction and has announced that it has entered into an agreement for the construction of an ultra-deepwater drillship. GlobalSantaFe provides offshore oil and gas contract drilling services to the oil and gas industry worldwide on a dayrate basis. GlobalSantaFe also provides oil and gas drilling management services on either a dayrate or completed-project, fixed-price (or "turnkey") basis, as well as drilling engineering and drilling project management services, and it participates in oil and gas exploration and production activities.

For further information on GlobalSantaFe, see "Business of GlobalSantaFe" on page 136.

Transocean Worldwide Inc.
4 Greenway Plaza
Houston, Texas 77046
Phone: (713) 232-7500

Transocean Worldwide Inc. is a direct wholly owned subsidiary of Transocean recently formed for the purpose of effecting the Merger.

The Shareholder Meetings (pages 38 and 42)

The meeting of Transocean's shareholders will be held on November 9, 2007, at 1:00 p.m., Cayman Islands time, at the Grand Cayman Marriott, Grand Cayman, Cayman Islands.

The meeting of GlobalSantaFe's shareholders will be held on November 9, 2007, at 1:00 p.m., Cayman Islands time, at the Grand Cayman Marriott, Grand Cayman, Cayman Islands.

The record date for Transocean's shareholders entitled to receive notice of and to vote at Transocean's shareholder meeting was the close of business on October 1, 2007. On that date, approximately 290,802,547 Transocean ordinary shares were outstanding and entitled to vote at the meeting.

The record date for GlobalSantaFe's shareholders entitled to receive notice of and to vote at GlobalSantaFe's shareholder meeting was the close of business on October 1, 2007. On that date, approximately 225,525,454 GlobalSantaFe ordinary shares were outstanding and entitled to vote at the meeting.

Transocean Votes Required for Approval of the Transocean Proposals (page 38)

Each of the following Transocean proposals must be approved in order to complete the Transactions:

The affirmative vote of a majority in number of the Transocean ordinary shareholders present and voting on the proposal, whether in person or by proxy, representing 75% or more in value of the ordinary shares present and voting on the proposal, whether in person or by proxy, at the meeting is required to approve the Reclassification.

The proposal for the issuance of the Transocean ordinary shares in the Merger requires the affirmative vote of at least a majority of votes cast on the proposal, provided that the total number of votes cast on the proposal represents a majority of the votes entitled to be cast.

The proposal to amend and restate the memorandum of association and the articles of association of Transocean to, among other things, increase the maximum size of the board of directors, provide for certain corporate governance provisions during the two-year period following the completion of the Transactions and make technical, updating and other revisions requires the approval of holders of at least two-thirds of the votes cast on the proposal.

As of September 14, 2007, Transocean directors and executive officers beneficially owned less than one percent of the outstanding Transocean ordinary shares, including outstanding options. These individuals have indicated that they intend to vote in favor of all of the Transocean proposals. In addition, Siem Industries, Inc., an affiliate of Kristian Siem, a director of Transocean, holds 1,423,720 Transocean ordinary shares. Siem Industries has indicated that it intends to vote its shares in favor of all of the Transocean proposals.

Recommendation to Transocean's Shareholders (page 54)

Transocean's board of directors has approved the Reclassification, the issuance of Transocean ordinary shares in connection with the Merger, and the amendment and restatement of the memorandum of association and the articles of association of Transocean and recommends that the holders of Transocean ordinary shares vote "FOR" each of the Transocean proposals.

Opinion of Goldman, Sachs & Co. (page 58)

On July 21, 2007, Goldman, Sachs & Co. ("Goldman Sachs") delivered its oral opinion (which was subsequently confirmed in writing) to the Transocean board of directors to the effect that, as of such date and based upon and subject to the factors and assumptions set forth therein, and after taking into consideration the Reclassification, in the aggregate the 0.4757 Transocean ordinary shares and the $22.46 in cash to be paid by Transocean in respect of each GlobalSantaFe ordinary share pursuant to the merger agreement was fair from a financial point of view to Transocean.

The full text of the written opinion of Goldman Sachs is attached to this document as Annex B. You are encouraged to, and should, read the opinion in its entirety.

GlobalSantaFe Votes Required for Approval of the GlobalSantaFe Proposal (page 42)

Under Cayman Islands law, the affirmative vote of a majority in number of the GlobalSantaFe ordinary shareholders present and voting on the proposal, whether in person or by proxy, representing 75% or more in value of the ordinary shares present and voting on the proposal, whether in person or by proxy, at a shareholders' vote mandated by the Grand Court of the Cayman Islands is required to approve the Merger. This vote will be

conducted during the first part of the GlobalSantaFe shareholders' meeting.

In order to complete the Transactions, GlobalSantaFe's articles of association require that the proposal must also be approved by a simple majority of the GlobalSantaFe shares casting votes on the proposal during a separate vote at which a quorum is present. This vote will be conducted immediately following the court-mandated vote at the GlobalSantaFe shareholders' meeting.

As of September 14, 2007, GlobalSantaFe directors and executive officers beneficially owned less than one percent of the outstanding GlobalSantaFe ordinary shares, including outstanding options and stock appreciation rights. These individuals have indicated that they intend to vote in favor of the GlobalSantaFe proposal.

Recommendation to GlobalSantaFe's Shareholders (page 58)

GlobalSantaFe's board of directors believes that the Merger is advisable and in the best interests of GlobalSantaFe and recommends that the holders of GlobalSantaFe ordinary shares vote "FOR" the GlobalSantaFe proposal.

Opinion of Lehman Brothers Inc. (page 67)

In deciding to approve the Merger, GlobalSantaFe's board of directors received and considered the opinion of Lehman Brothers Inc. ("Lehman Brothers"), its financial advisor, that, as of the date of the opinion, the merger consideration to be offered to the GlobalSantaFe shareholders in the Merger is fair from a financial point of view to the holders of GlobalSantaFe ordinary shares. Lehman Brothers based its opinion on and delivered it subject to the assumptions, limitations and qualifications stated in the opinion.

The full text of the written opinion of Lehman Brothers is attached as Annex C to this joint proxy statement. We encourage you to read the opinion carefully, as well as the description of the analyses and assumptions upon which the opinion was based.

Opinion of Simmons & Company International (page 74)

In connection with the Merger, Simmons & Company International ("Simmons & Company") delivered a written opinion dated July 21, 2007, to the board of directors of GlobalSantaFe to the effect that, as of that date and based upon and subject to factors and assumptions set forth in its opinion, the merger consideration to be received by GlobalSantaFe's shareholders was fair to GlobalSantaFe's shareholders from a financial point of view. GlobalSantaFe's board of directors considered the opinion of Simmons & Company in deciding to approve the Merger.

The full text of Simmons & Company's written opinion, dated July 21, 2007, is attached as Annex D to this joint proxy statement. Holders of GlobalSantaFe's ordinary shares are encouraged to read the opinion carefully in its entirety for a description of the procedures followed, assumptions made, matters considered and limitations on the scope of the review undertaken.

Overview of the Merger Agreement (page 115)

The merger agreement is the document that governs the Transactions, although the Merger and Reclassification will be implemented by the schemes of arrangement. The merger agreement is attached as Annex A and the schemes of arrangement are attached as Annexes G and H to this joint proxy statement. We urge you to read these documents carefully.

At the effective time of the Merger, GlobalSantaFe will merge with Transocean Worldwide Inc., a direct wholly owned subsidiary of Transocean ("Merger Sub"), by way of a scheme of arrangement qualifying as an amalgamation under Cayman Islands law, with Merger Sub being the surviving corporation.

Immediately prior to the Merger, each outstanding ordinary share of Transocean will be reclassified by way of a scheme of arrangement under Cayman Islands law into 0.6996 Transocean ordinary shares and $33.03 in cash pursuant to the Reclassification.

At the effective time of the Merger, each outstanding ordinary share of GlobalSantaFe will be exchanged for 0.4757 Transocean ordinary shares (after giving effect to the Reclassification) and $22.46 in cash.

At the effective time of the Reclassification, each outstanding Transocean stock option will be adjusted in connection with the Transactions. Transocean deferred units and restricted shares will be exchanged for the same consideration for which each outstanding ordinary share of Transocean is exchanged in the Reclassification. However, the share consideration with respect to deferred unit and restricted share awards made between July 21, 2007 and the earlier of (1) the closing of the Transactions and (2) the termination of the merger agreement will remain subject to the vesting restrictions set forth in the applicable award agreement.

At the effective time of the Merger, all outstanding GlobalSantaFe stock options and stock appreciation rights will be assumed by Transocean and converted into awards to receive Transocean ordinary shares. Each GlobalSantaFe restricted stock unit will be exchanged for the same consideration for which an ordinary share of GlobalSantaFe is exchanged in the Merger.

Conditions to the Transactions (page 128)

The completion of the Transactions depends on a number of conditions, including the following:

- the requisite approval of the shareholders of both parties shall have been obtained;
- none of the parties shall be subject to any decree, order or injunction of a court of competent jurisdiction prohibiting the consummation of the Transactions;
- no statute, rule or regulation shall have been enacted by any governmental entity prohibiting or making unlawful the consummation of the Merger or the Reclassification;
- the New York Stock Exchange (the "NYSE") shall have authorized for listing the Transocean ordinary shares to be issued pursuant to the Transactions;
- Transocean and GlobalSantaFe shall each be reasonably satisfied that all of the conditions to the funding under the financing commitments described under "Financing of the Transactions" shall have been satisfied by Transocean to provide at the effective time of the Reclassification and the Merger funds sufficient to enable Transocean to deliver the aggregate cash consideration payable in connection with the Transactions;
- the receipt by Transocean and GlobalSantaFe from their respective tax counsel of opinions to the effect that, for U.S. federal income tax purposes, the Merger will be treated as a reorganization qualifying under section 368(a) of the Internal Revenue Code and, in the case of Transocean, that Transocean shareholders will recognize no income or gain in the Reclassification except with respect to cash received in the Reclassification;
- the compliance by the parties with their respective covenants and agreements that the merger agreement requires them to perform;
- the accuracy of the representations and warranties of the parties set forth in the merger agreement;
- any waiting period applicable to the consummation of the Merger under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (the "HSR Act") shall have expired or been terminated; and
- in the event of any review by the U.K. Office of Fair Trading or the U.K. Secretary of State for Trade and Industry, receipt of indications reasonably satisfactory to Transocean and GlobalSantaFe that the Merger will not be referred to the Competition Commission of the United Kingdom or, if referred to the Competition

8

Commission, that the Merger can proceed.

Each of the following is also a condition to the completion of the Transactions:

- expiration or termination of any mandatory waiting period under any applicable non-U.S. competition, antitrust or premerger notification laws;

- absence of any claim, proceeding or action, whether pending or threatened in writing, by the government of the United States or the United Kingdom seeking to restrain, prohibit or rescind any transactions contemplated by the merger agreement or seeking to penalize a party for completing any such transaction; and

- absence of a final or preliminary administrative order denying approval of or prohibiting the Merger under non-U.S. competition, antitrust or premerger notification laws;

and either the failure to observe such waiting period or such claim, proceeding or action or such order described in the preceding three bullet points is reasonably likely to require either Transocean or GlobalSantaFe to dispose of assets or limit its freedom of action, except for such dispositions or limits that, in the reasonable good faith judgment of both Transocean and GlobalSantaFe, do not and are not reasonably likely to have a material adverse effect on Transocean or GlobalSantaFe, materially impair the benefits or advantages Transocean or GlobalSantaFe expect to receive from the Merger and the transactions contemplated by the merger agreement or have a material adverse effect on the business plan or business strategy for the combined company.

Termination of the Merger Agreement (page 131)

The merger agreement may be terminated by the mutual written consent of Transocean and GlobalSantaFe. In addition, either Transocean or GlobalSantaFe may terminate the merger agreement if:

- the Transactions have not been consummated by July 21, 2008;

- there is a failure to obtain the requisite approval of the shareholders of either company at a meeting of that company's shareholders; or

- a court of competent jurisdiction or governmental entity has issued an order, decree or ruling or taken any other action permanently restraining, enjoining or otherwise prohibiting the Transactions that has become final and nonappealable.

The merger agreement may also be terminated by Transocean if:

- GlobalSantaFe has breached any representation, warranty, covenant or agreement in the merger agreement, or any such representation or warranty has become untrue, in either case such that a condition to Transocean's and Merger Sub's obligations to consummate the Transactions would not be satisfied, and such breach is not curable, or, if curable, is not cured within 30 days after Transocean gives written notice of the breach to GlobalSantaFe;

- the board of directors of GlobalSantaFe has made an adverse recommendation change and the requisite approval of the GlobalSantaFe shareholders has not yet been obtained; or

- before obtaining the requisite approval of its shareholders, and subject to various other conditions, including giving notice and paying GlobalSantaFe a $300 million termination fee, Transocean enters into a binding definitive written agreement providing for the implementation of a transaction constituting a superior proposal for Transocean after the board of directors of Transocean determines in good faith after consultation with its outside legal and financial advisors that proceeding with the Transactions would

be inconsistent with its fiduciary obligations.

The merger agreement may also be terminated by GlobalSantaFe if:

Transocean or Merger Sub has breached any representation, warranty, covenant or agreement in the merger agreement, or any such representation or warranty has become untrue, in either case such that a condition to GlobalSantaFe's obligations to consummate the Merger would not be satisfied, and such breach is not curable, or, if curable, is not cured within 30 days after GlobalSantaFe gives written notice of the breach to Transocean;

the board of directors of Transocean has made an adverse recommendation change and the requisite approvals of the Transocean shareholders have not yet been obtained; or

before obtaining the requisite approval of its shareholders, and subject to various other conditions, including giving notice and paying Transocean a $300 million termination fee, GlobalSantaFe concurrently enters into a binding definitive written agreement providing for the implementation of a transaction constituting a superior proposal for GlobalSantaFe after the board of directors of GlobalSantaFe determines in good faith after consultation with its outside legal advisors and financial advisors that proceeding with the Merger would be inconsistent with its fiduciary obligations.

Termination Fees and Expenses (page 133)

GlobalSantaFe will be required to pay a $300 million termination fee if the merger agreement is terminated:

by either party due to failure to obtain the requisite approval of GlobalSantaFe's shareholders, where:

the failure to obtain such approval occurs after the public disclosure of an acquisition proposal for GlobalSantaFe by a third party, and

prior to such failure, the board of directors of GlobalSantaFe determines that such acquisition proposal constitutes a superior proposal for purposes of providing information to, or entering into negotiations or discussions with, the party making such acquisition proposal;

by either party due to failure to obtain the requisite approval of GlobalSantaFe's shareholders, where the failure to obtain such approval was proximately caused by GlobalSantaFe's breach of its non-solicitation obligations or obligations to submit and recommend the Merger to its shareholders for approval;

by Transocean due to an adverse recommendation change of GlobalSantaFe in response to an acquisition proposal for GlobalSantaFe; or

by GlobalSantaFe in connection with a superior proposal for GlobalSantaFe.

Transocean will be required to pay a $300 million termination fee if the merger agreement is terminated:

by either party due to failure to obtain the requisite approval of Transocean's shareholders, where:

the failure to obtain such approval occurs after the public disclosure of an acquisition proposal for Transocean by a third party, and

prior to such failure, the board of directors of Transocean determines that such acquisition proposal constitutes a superior proposal for purposes of providing information to, or entering into negotiations or discussions with, the party making such acquisition proposal;

by either party due to failure to obtain the requisite approval of Transocean's

shareholders, where the failure to obtain such approval was proximately caused by Transocean's breach of its non-solicitation obligations or obligations to submit and recommend the Transactions to its shareholders for approval;

by GlobalSantaFe due to an adverse recommendation change of Transocean that was in response to an acquisition proposal for Transocean; or

by Transocean in connection with a superior proposal for Transocean.

If the merger agreement is terminated by either party due to failure to obtain the requisite approval of a party's shareholders, and a termination fee is not otherwise payable upon such termination as described above, the party failing to obtain shareholder approval will be required to pay the termination fee where:

the failure to obtain such approval occurs after the public disclosure of an acquisition proposal by a third party for the party failing to obtain shareholder approval; and

within 12 months after such termination, the party failing to obtain shareholder approval or any of its subsidiaries enters into a definitive agreement providing for an acquisition proposal for such party or an acquisition proposal for such party is consummated.

If the merger agreement is terminated by either party due to the failure to obtain one party's shareholder approval or due to an adverse recommendation change by a party, and no termination fee is otherwise required to be paid under the merger agreement, then the party failing to obtain shareholder approval or whose board of directors made the adverse recommendation change will reimburse the other party for its third party costs and expenses in connection with the Transactions, up to a maximum of $30 million.

No Solicitation (page 119)

The merger agreement contains detailed provisions prohibiting either party from seeking an alternative transaction. These "no solicitation" provisions generally prohibit either party from taking any action to solicit a competing proposal. The merger agreement does not, however, prohibit either party or its respective board of directors from considering, and potentially recommending, an unsolicited written proposal from a third party.

Interests of Certain Persons in the Transactions (page 81)

In considering the boards' recommendations, shareholders should be aware that some officers and directors of Transocean and GlobalSantaFe may have interests in the Transactions that are different from, or in addition to, those of shareholders generally:

Transocean's board of directors has, in consultation with GlobalSantaFe, designated seven current directors of Transocean to become members of Transocean's board of directors following the Transactions, GlobalSantaFe's board of directors has, in consultation with Transocean, designated seven current directors of GlobalSantaFe to become members of Transocean's board of directors following the Transactions, and Robert E. Rose, the current Chairman of GlobalSantaFe's board of directors, will become the Chairman of Transocean's board of directors following the Transactions;

Certain officers of Transocean and GlobalSantaFe will serve as executive officers of Transocean following the Transactions, including Robert L. Long, who will serve as Chief Executive Officer, and Jon A. Marshall, who will serve as President and Chief Operating Officer;

Outstanding options to purchase Transocean ordinary shares, deferred units and restricted ordinary shares, including options, deferred units and restricted shares held by officers and directors of Transocean, will become vested and, in the case of the options, exercisable, in connection with the Transactions;

Outstanding options to acquire GlobalSantaFe ordinary shares and stock-settled stock appreciation rights, or GlobalSantaFe SARs, will become vested and exercisable in connection with the Transactions and, following the Merger, will be exercisable for Transocean ordinary shares, and each outstanding GlobalSantaFe stock unit will be exchanged for the GlobalSantaFe merger consideration at the closing of the Transactions, including GlobalSantaFe options, SARs and stock units held by directors and executive officers of GlobalSantaFe;

Awards under Transocean's Performance Award and Cash Bonus Plan for the performance period prior to the consummation of the Transactions, including with respect to awards to officers of Transocean, will be deemed to be equal to the maximum amount of the awards that could have been earned assuming full attainment of the performance objectives for the applicable performance period;

GlobalSantaFe's cash-based performance awards, including those held by officers of GlobalSantaFe, will be deemed earned at the target level if the Merger is approved by the GlobalSantaFe shareholders in 2007;

Certain executive officers of Transocean who are participants under Transocean's Executive Change of Control Severance Benefit and who, within 24 months after the consummation of the Transactions, are terminated by Transocean without "cause" (as defined in the policy) or leave Transocean for "good reason" (as defined in the policy) will be entitled to receive benefits;

Certain executive officers of GlobalSantaFe who, within three years after the consummation of the Transactions, are terminated without cause or leave for good reason will be entitled to receive benefits under their severance agreements with GlobalSantaFe, which agreements are being assumed by Transocean; and

Transocean and GlobalSantaFe officers and directors will be indemnified by Transocean as a result of the Transactions.

Regulatory Matters (page 109)

Transocean and GlobalSantaFe have made appropriate filings to obtain clearances of the Merger from governmental regulators, including competition and antitrust authorities in the United States, the United Kingdom and Brazil.

We are working to obtain the required regulatory clearances. Although we have been granted early termination of the waiting period under the HSR Act, we have not yet received all of the required clearances. We estimate that we will receive regulatory clearances in sufficient time to complete the Transactions by the end of 2007. However, we can give no assurance as to when or whether these clearances will be obtained or the terms and conditions that these clearances may impose.

Accounting Treatment and Considerations (page 95)

Transocean will account for the Reclassification as a reverse stock split and dividend. Transocean will account for the Merger using the purchase method of accounting with Transocean treated as the acquiror. As the accounting acquiror, Transocean's assets and liabilities will remain at historical amounts.

In applying purchase accounting, Transocean will record the assets and liabilities of GlobalSantaFe at their estimated fair values at the closing date of the Transactions with the excess of the purchase price over the sum of such fair values recorded as goodwill. The purchase price is calculated using the estimated number of Transocean ordinary shares to be issued in the Merger using the average trading price of Transocean ordinary shares for a period of time immediately before and after the Merger was announced, plus estimated cash consideration to be paid to GlobalSantaFe shareholders based on the number of

GlobalSantaFe ordinary shares estimated to be outstanding at the time of the Merger and cash consideration of $22.46 per share, plus estimated direct Merger costs and expenses and plus the estimated fair value of GlobalSantaFe stock options and SARs to be assumed by Transocean.

The estimated dividend to Transocean shareholders is calculated based on the number of Transocean ordinary shares estimated to be outstanding at the time of the Reclassification.

Material U.S. Federal Income Tax Consequences (page 96)

Transocean expects that the Reclassification will be treated as a stock redemption for U.S. federal income tax purposes. Assuming the Reclassification is treated as a stock redemption, then a shareholder who, actually or constructively, owns no GlobalSantaFe ordinary shares at the time of the Reclassification and the Merger should generally recognize gain or loss in an amount equal to the difference between the cash received from Transocean and the tax basis of the shares considered to be redeemed. However, alternative tax treatments are possible.

The Merger is expected to qualify as a reorganization under section 368(a) of the Internal Revenue Code for U.S. federal income tax purposes. Assuming it does so qualify, GlobalSantaFe shareholders will generally recognize gain (but not loss) in an amount equal to the lesser of the cash received by the shareholder and the excess, if any, of (1) the sum of the cash and the fair market value of the Transocean ordinary shares received by the shareholder over (2) the shareholder's tax basis in the GlobalSantaFe ordinary shares exchanged in the Merger. Under certain circumstances this gain could be taxable as a dividend to the extent of the shareholder's ratable share of available earnings and profits.

Please refer to "The Transactions Material U.S. Federal Income Tax Consequences," beginning on page 96 of this joint proxy statement for a description of the material U.S. federal income tax consequences of the Reclassification to Transocean shareholders and the Merger to GlobalSantaFe shareholders. Determining the actual tax consequences to you of the Reclassification or Merger may be complex and will depend on your specific situation. You are urged to consult your tax adviser for a full understanding of the tax consequences of the Reclassification or Merger to you.

No Appraisal Rights (page 114)

Under applicable law, none of the shareholders of Transocean or GlobalSantaFe has any right to an appraisal of the value of their shares or payment for them in connection with the Transactions.

Listing of Transocean Ordinary Shares (page 114)

Transocean will apply to list the ordinary shares to be issued in the Transactions on the New York Stock Exchange.

Comparison of Rights of Shareholders (page 160)

The rights of Transocean ordinary shareholders and GlobalSantaFe ordinary shareholders are governed by the Companies Law of the Cayman Islands and the memorandum of association and articles of association of the respective company. When the Transactions are completed, Transocean ordinary shareholders and GlobalSantaFe ordinary shareholders will both be Transocean ordinary shareholders, and their rights will be governed by the Companies Law of the Cayman Islands and Transocean's amended and restated memorandum of association and amended and restated articles of association. See pages 160 through 165 for more specific information.

Market Price and Dividend Information (page 142)

Transocean ordinary shares and GlobalSantaFe ordinary shares are both listed on the New York Stock Exchange. On July 20, 2007, the last trading day before we announced the Transactions, Transocean ordinary shares closed at $109.97 per share and GlobalSantaFe ordinary shares closed at $74.74 per share. On October 1, 2007, the most recent practicable date before the

date of this joint proxy statement, Transocean ordinary shares closed at $114.21 per share and GlobalSantaFe ordinary shares closed at $77.35 per share. The market price of Transocean shares will fluctuate before and after the Transactions, but the consideration for Transocean and GlobalSantaFe shareholders in the Transactions is fixed. You should obtain current share price quotations for Transocean ordinary shares and GlobalSantaFe ordinary shares.

GlobalSantaFe paid quarterly cash dividends of $0.225 per ordinary share from the first quarter of 2006 until the second quarter of 2007. Transocean does not generally pay cash dividends. Each of Transocean and GlobalSantaFe is prohibited from declaring cash dividends under the terms of the merger agreement. The bridge loan facility contains covenants that will restrict the combined company's ability to pay dividends during any period in which borrowings are outstanding. The new board of directors of Transocean will decide whether to pay quarterly cash dividends after the completion of the Transactions.

Transocean Selected Historical Financial Data

The following table presents selected consolidated financial data for Transocean. Transocean derived the statement of operations data for each of the years in the five-year period ended December 31, 2006, and the balance sheet data as of December 31, 2006, 2005, 2004, 2003 and 2002, from its audited consolidated financial statements. Transocean derived the statement of operations data for the six months ended June 30, 2007 and 2006, and the balance sheet data as of June 30, 2007 and 2006, from its unaudited consolidated financial statements. Transocean prepared its unaudited consolidated financial statements on the same basis as its audited consolidated financial statements and included all adjustments, consisting of normal recurring adjustments, that Transocean considers necessary for a fair presentation of its financial position and results of operations for the unaudited periods. The historical financial information may not be indicative of Transocean's future performance. Results of operations for the six months ended June 30, 2007, may not be indicative of the results of operations that may be achieved for the entire year. The data should be read in conjunction with the sections entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in Transocean's Annual Report on Form 10-K for the year ended December 31, 2006, and in Transocean's Quarterly Report on Form 10-Q for the quarter ended June 30, 2007, and Transocean's financial statements, related notes and other financial information incorporated by reference in this joint proxy statement.

	Six months ended June 30,		Years ended December 31,				
	2007	2006	2006	2005(a)	2004(b)	2003	2002(c)
	(In millions, except per share data and percentages)						
Statement of Operations Data:							
Operating revenues	$ 2,762	$ 1,671	$ 3,882	$ 2,892	$ 2,614	$ 2,434	$ 2,674
Operating income (loss)	1,333	573	1,641	720	328	240	(2,310)
Income (loss) before cumulative effect of changes in accounting principles	1,102	455	1,385	716	152	18	(2,368)
Cumulative effect of changes in accounting principles						1	(1,364)
Net income (loss)	1,102	455	1,385	716	152	19	(3,732)
Basic earnings (loss) per share:							
Income (loss) before cumulative effect of changes in accounting principles	$ 3.81	$ 1.40	$ 4.42	$ 2.19	$ 0.47	$ 0.06	$ (7.42)
Cumulative effect of changes in accounting principles							(4.27)
Net income (loss)	$ 3.81	$ 1.40	$ 4.42	$ 2.19	$ 0.47	$ 0.06	$ (11.69)
Diluted earnings (loss) per share:							
Income (loss) before cumulative effect of changes in accounting principles	$ 3.67	$ 1.36	$ 4.28	$ 2.13	$ 0.47	$ 0.06	$ (7.42)
Cumulative effect of changes in accounting principles							(4.27)
Net income (loss)	$ 3.67	$ 1.36	$ 4.28	$ 2.13	$ 0.47	$ 0.06	$ (11.69)
Balance Sheet Data (at end of period):							
Total assets	$ 12,149	$ 10,555	$ 11,476	$ 10,457	$ 10,758	$ 11,663	$ 12,665
Debt due within one year	18	95	95	400	19	46	1,048
Long-term debt	3,046	1,501	3,200	1,197	2,462	3,612	3,630
Total shareholders' equity	7,478	7,904	6,836	7,982	7,393	7,193	7,141
Dividends per share							$ 0.06
Other Financial Data:							
Cash provided by operating activities	$ 1,261	$ 444	$ 1,237	$ 864	$ 600	$ 525	$ 939
Cash provided by (used in) investing activities	(717)	(73)	(415)	169	551	(445)	(45)
Cash used in financing activities	(566)	(534)	(800)	(1,039)	(1,174)	(820)	(533)
Capital expenditures(d)	755	276	876	182	127	494	141
Operating margin	48%	34%	42%	25%	13%	10%	n/m

"n/m" means not meaningful due to loss on impairments of long-lived assets.

(a) In May 2005 and June 2005, respectively, Transocean completed a public offering and a sale of TODCO common stock pursuant to Rule 144 under the Securities Act (respectively referred to as the "May Offering" and the "June Sale"). After

the May Offering, Transocean accounted for its remaining investment using the cost method of accounting. As a result of the June Sale, Transocean no longer owns any shares of TODCO's common stock. Transocean recorded a gain of $165 million in 2005 related to the disposition of TODCO shares.

(b)

Transocean consolidated TODCO in its financial statements as a business segment through December 16, 2004, and that portion of TODCO that Transocean did not own was reported as minority interest in its consolidated statements of operations and balance sheet. As a result of the conversion of the TODCO class B common stock into class A common stock, Transocean's ownership and voting interest declined to approximately 22%, and Transocean no longer consolidated TODCO in its financial statements but accounted for its remaining investment using the equity method of accounting. Transocean recorded a gain of $142 million, net of $167 million of non-cash charges, in 2004 related to the disposition of TODCO shares.

(c)

In 2002, in accordance with Financial Accounting Standards Board ("FASB") Statement of Financial Accounting Standards ("SFAS") No. 142, *Goodwill and Other Intangible Assets*, Transocean recorded an impairment of goodwill in the amount of $2,876 million.

(d)

Capital expenditures are also included in "Cash provided by (used in) investing activities."

GlobalSantaFe Selected Historical Financial Data

The following table presents selected consolidated financial data for GlobalSantaFe. GlobalSantaFe derived the statement of operations data for each of the years in the five-year period ended December 31, 2006, and the balance sheet data as of December 31, 2006, 2005, 2004, 2003 and 2002, from its audited consolidated financial statements. GlobalSantaFe derived the statement of operations data for the six months ended June 30, 2007 and 2006, and the balance sheet data as of June 30, 2007 and 2006, from its unaudited consolidated financial statements. GlobalSantaFe prepared its unaudited condensed consolidated financial statements on the same basis as its audited consolidated financial statements and included all adjustments, consisting of normal recurring adjustments, that GlobalSantaFe considers necessary for a fair presentation of its financial position and results of operations for the unaudited periods. The historical financial information may not be indicative of GlobalSantaFe's future performance. Results of operations for the six months ended June 30, 2007, may not be indicative of the results of operations that may be achieved for the entire year. The data should be read in conjunction with the sections entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in GlobalSantaFe's Annual Report on Form 10-K for the year ended December 31, 2006, and in GlobalSantaFe's Quarterly Report on Form 10-Q for the quarter ended June 30, 2007, and GlobalSantaFe's financial statements, related notes and other financial information incorporated by reference in this joint proxy statement.

	Six months ended June 30,		Years ended December 31,				
	2007	2006	2006	2005	2004	2003	2002
	(In millions, except per share data)						
Statement of Operations:							
Operating revenues	$ 1,977	$ 1,453	$ 3,313	$ 2,264	$ 1,724	$ 1,808	$ 1,870
Operating income	801	457	1,110	464	134	126	306
Income from continuing operations	711	411	1,006	423	32	114	262
Income from discontinued operations, net of tax effect(a)	6				112	15	16
Net income	717	411	1,006	423	144	129	278
Basic earnings per share:							
Income from continuing operations	$ 3.11	$ 1.68	$ 4.19	$ 1.76	$ 0.13	$ 0.49	$ 1.12
Income from discontinued operations	0.02				0.48	0.06	0.07
Net income	$ 3.13	$ 1.68	$ 4.19	$ 1.76	$ 0.61	$ 0.55	$ 1.19
Diluted earnings per share:							
Income from continuing operations	$ 3.06	$ 1.65	$ 4.13	$ 1.73	$ 0.13	$ 0.49	$ 1.11
Income from discontinued operations	0.03				0.48	0.06	0.07
Net income	$ 3.09	$ 1.65	$ 4.13	$ 1.73	$ 0.61	$ 0.55	$ 1.18
Balance Sheet Data (at end of period):							
Total assets	$ 6,783	$ 6,165	$ 6,220	$ 6,222	$ 5,998	$ 6,150	$ 5,829
Debt due within one year(b)	2	9	9	10	361	10	2
Long-term debt(b)	746	560	639	574	586	1,231	942
Total shareholders' equity	5,170	4,914	4,847	4,958	4,466	4,328	4,234
Dividends per share	$ 0.450	$ 0.450	$ 0.900	$ 0.600	$ 0.225	$ 0.175	$ 0.130
Other Financial Data:							
Cash provided by operating activities	$ 818	$ 411	$ 985	$ 591	$ 225	$ 400	$ 551
Cash provided by (used in) investing activities	(214)	(155)	(140)	(448)	14	(619)	(404)
Cash provided by (used in) financing activities	(292)	(487)	(1,071)	(188)	(344)	254	(48)
Capital expenditures(c)(d)	290	258	510	397	453	466	574
Operating margin	41%	31%	34%	20%	8%	7%	16%

(a) In 2004, GlobalSantaFe sold its land drilling business for a total sales price of $317 million, recognizing a gain of $113 million, net of taxes. As a result of this sale, results of land drilling operations have been reclassified from contract drilling results to "Income from discontinued operations, net of tax effect" for all periods presented.

(b) Includes capital lease obligations.

(c) Capital expenditures are also included in "Cash provided by (used in) investing activities."

(d)

Capital expenditures include $11 million, $31 million, $14 million, $50 million, $64 million, $17 million and $19 million of capital expenditures related primarily to GlobalSantaFe's rig building program that had been accrued but not paid as of June 30, 2007 and 2006 and December 31, 2006, 2005, 2004, 2003 and 2002, respectively.

Selected Unaudited Pro Forma Condensed Combined Financial Information

We have included the following unaudited pro forma condensed combined summary financial information only for the purposes of illustration, and it does not necessarily indicate what the operating results or financial position would have been if the Transactions had been completed at the dates indicated. Moreover, this information does not necessarily indicate what the future operating results or financial position of the combined company will be.

You should read this unaudited pro forma condensed combined summary financial information in conjunction with the "Unaudited Pro Forma Condensed Combined Financial Statements" and the notes thereto beginning on page 143 and the historical consolidated financial statements of Transocean and GlobalSantaFe incorporated by reference in this joint proxy statement. This unaudited condensed pro forma combined statement of operations data does not reflect adjustments to reflect any cost savings or other operational efficiencies that may be realized as a result of the Transactions or any future merger-related restructuring or integration expenses.

	Six months ended June 30, 2007	Year ended December 31, 2006
	(in millions, except per share data)	
Statement of Operations Data:		
Operating revenues	$ 5,144	$ 7,911
Operating income	2,202	2,788
Income from continuing operations	1,387	1,473
Basic earnings per share	4.46	4.42
Diluted earnings per share	4.33	4.29

	June 30, 2007
	(in millions)
Balance Sheet Data:	
Total assets	$ 33,793
Debt due within one year	15,018
Long-term debt	3,782
Total shareholders' equity	10,244

Unaudited Comparative Per Share Data

The following table compares the earnings, cash dividends and book value per share data for Transocean and GlobalSantaFe on a historical, pro forma combined and per share equivalent basis.

You should read the information below together with the historical financial statements and related notes incorporated by reference in this document and with the "Unaudited Pro Forma Condensed Combined Financial Statements" and related notes included elsewhere in this joint proxy statement. See "Where You Can Find More Information" on page 170. The unaudited pro forma data is for informational purposes only. The companies may have performed differently had they always been combined. You should not rely on the pro forma data as being indicative of the historical results that would have been achieved had the companies always been combined or the future results that the combined company will experience after the Transactions.

			GlobalSantaFe	
	Transocean historical per share data, as reported(a)	Combined company unaudited pro forma per share data(b)	Historical per share data	Equivalent unaudited pro forma per share data(c)
Six months ended June 30, 2007 (unaudited):				
Earnings per share from continuing operations:				
Basic	$ 3.81	$ 4.46	$ 3.11	$ 2.12
Diluted	3.67	4.33	3.06	2.06
Dividends per share			0.45	
Book value per share (at the end of the period)	$ 25.88	$ 33.05	$ 22.78	$ 15.37
Year ended December 31, 2006:				
Earnings per share from continuing operations:				
Basic	$ 4.42	$ 4.42	$ 4.19	$ 2.10
Diluted	4.28	4.29	4.13	2.04
Dividends per share			0.90	

(a) As a result of the Reclassification, Transocean will restate its historical shares outstanding and earnings per share in accordance with accounting principles generally accepted in the U.S. Restated shares outstanding will be calculated based on the reverse stock split ratio of 0.6996 for each share outstanding, in accordance with the merger agreement. Restated historical per share amounts are expected to be as follows:

	Six months ended June 30, 2007	Year ended December 31, 2006
Earnings per share:		
Basic	$ 5.46	$ 6.32
Diluted	5.25	6.10
Book value per share (at the end of the period)	$ 36.99	N/A

(b) The combined company's pro forma data includes the effect of the Transactions as described in the notes to the unaudited pro forma condensed combined financial statements.

(c) The GlobalSantaFe equivalent unaudited pro forma per share data represents the combined company's unaudited pro forma per share data multiplied by the exchange ratio of 0.4757.

RISK FACTORS

In addition to the other information contained in this joint proxy statement and the documents incorporated by reference, including, without limitation, Transocean's Annual Report on Form 10-K for the year ended December 31, 2006 and GlobalSantaFe's Annual Report on Form 10-K for the year ended December 31, 2006, you should carefully consider the following risk factors before you decide how to vote on the proposals.

Risks Relating to the Transactions

The value of the Transocean ordinary shares to be received in the Transactions will fluctuate.

The merger agreement does not contain any provisions for adjustment of the consideration and does not provide for rights of termination by either party based upon fluctuations in the market price of the Transocean ordinary shares before the completion of the Transactions. Because no adjustment will be made to the consideration, the market value of the Transocean ordinary share consideration to be received by Transocean and GlobalSantaFe shareholders in connection with the Transactions cannot presently be determined and will vary based upon the market price of Transocean ordinary shares at the time the Transactions are completed. These variations may be the result of:

- changes in the business or results of operations of Transocean or GlobalSantaFe;
- the prospects for the post-Transactions operations of the combined company;
- the timing of completing, and market assessment of the likelihood of completing, the Transactions;
- the worldwide supply/demand balance for oil and gas and the prevailing commodity price environment;
- the level of drilling activity of Transocean's and GlobalSantaFe's customers;
- competition in the offshore contract drilling industry;
- regulatory considerations;
- construction and commissioning risks associated with Transocean's and GlobalSantaFe's respective newbuild programs;
- general stock market and economic conditions; and
- other factors beyond the control of Transocean and GlobalSantaFe, including those described elsewhere in this "Risk Factors" section.

GlobalSantaFe's shareholders are urged to obtain current market quotations for their shares and for Transocean ordinary shares.

Failure to complete, or delays in completing, the Transactions could negatively impact the market price of the Transocean and GlobalSantaFe ordinary shares and financial results of Transocean and GlobalSantaFe.

Completion of the proposed Transactions is subject to various conditions, including, among others, approval by shareholders of Transocean and GlobalSantaFe and obtaining regulatory clearances and financing sufficient to enable Transocean to deliver the cash consideration to the shareholders of Transocean and GlobalSantaFe payable by virtue of the Transactions. If these or other conditions are not satisfied or if there is a delay in the satisfaction of such conditions, then Transocean and GlobalSantaFe may not be able to complete the Transactions timely or at all, and such failure or delay

may have other adverse consequences. If the Transactions are not completed or are delayed, Transocean and GlobalSantaFe will be subject to a number of risks, including:

- the individual companies will not realize the expected benefits of the combined company;
- the market price of the ordinary shares of Transocean and GlobalSantaFe may decline to the extent that the current market price of those shares reflects a market assumption that the Transactions will be completed;
- some costs relating to the Transactions, such as certain financial advisor, legal and financing fees, must be paid even if the Transactions are not completed; and
- in specified circumstances, if the Transactions are not completed, Transocean or GlobalSantaFe must pay the other either a termination fee of $300 million or up to $30 million in expense reimbursements.

While the Transactions are pending, Transocean and GlobalSantaFe may experience diminished productivity due to the impact of the Transactions on their current and prospective employees, key management, customers, suppliers and business partners.

Management of Transocean and GlobalSantaFe may be required to devote substantial time to activities related to the Transactions, which could otherwise be devoted to pursuing other beneficial business opportunities. Furthermore, current and prospective employees of Transocean and GlobalSantaFe may be uncertain about their future roles and relationships with the companies following the completion of the Transactions. This focus of management on the Transactions and employee uncertainty may also affect the productivity of Transocean and GlobalSantaFe or adversely affect each company's ability to attract and retain key management and employees.

Customers and business partners may not be as willing to continue to do business with Transocean or GlobalSantaFe on the same or similar terms or may delay or defer decisions relating to their business relationships with Transocean or GlobalSantaFe pending the completion of the Transactions, which could materially and adversely affect each company's business and results of operations. In addition, the merger agreement generally restricts Transocean and GlobalSantaFe, without the other party's consent, from taking actions outside the ordinary course of business or from taking other specified actions until the Merger occurs or the merger agreement terminates. These restrictions may prevent Transocean and GlobalSantaFe from taking actions that each might otherwise consider beneficial.

Until the Transactions are completed or the merger agreement is terminated, under certain circumstances, neither Transocean nor GlobalSantaFe will be able to enter into a merger or business combination with another party on favorable terms because of restrictions in the merger agreement.

Unless and until the merger agreement is terminated, subject to specified exceptions (which are discussed in more detail under "The Merger Agreement"), Transocean and GlobalSantaFe are restricted from soliciting, initiating or knowingly encouraging any inquiry, proposal or offer for an alternative transaction with any person. Transocean and GlobalSantaFe may terminate the merger agreement and enter into an agreement with respect to a superior proposal only if specified conditions have been satisfied, including compliance by the terminating party in all material respects with these non-solicitation provisions, allowing the other party seven days (or five days with respect to any material revision) to propose an adjustment to the terms and conditions of the merger agreement and paying a $300 million termination fee. These restrictions could affect the structure, pricing and other terms proposed by other parties seeking to enter into an alternate transaction with Transocean or GlobalSantaFe and, as a result of these restrictions, neither Transocean nor GlobalSantaFe may be able

to enter into an agreement with respect to an alternative transaction on more favorable terms without incurring potentially significant liability to the other.

As a result of the Transactions, Transocean's overall debt level will increase, and it may lose the ability to obtain future financing and lose its competitive advantage.

As a result of the Transactions, Transocean's overall debt level will increase from approximately $3.1 billion at June 30, 2007, to approximately $18.8 billion at such date on a pro forma basis after giving effect to the Transactions. After the completion of the Transactions, Transocean's level of debt and other obligations could have significant adverse consequences on the business and future prospects of the combined company, including the following:

- the combined company may not be able to obtain financing in the future for working capital, capital expenditures, acquisitions, debt service requirements or other purposes;
- less levered competitors could have a competitive advantage because they have lower debt service requirements; and
- the combined company may be less able to take advantage of significant business opportunities and to react to changes in market or industry conditions than its competitors.

Transocean may not be successful in refinancing the bridge loan facility, and the terms of any refinancing may not be favorable to Transocean.

The bridge loan facility has a maturity of one year. Although Transocean expects to refinance this debt on more favorable terms after the Transactions, such refinancing is subject to conditions in the credit markets, which are currently volatile, and there can be no assurance that Transocean will be successful in refinancing the debt or that the terms of the refinancing will be favorable to Transocean, which could adversely affect the combined company's results of operations or financial condition.

Transocean's overall debt level following the Transactions and/or its inability to refinance the bridge loan facility on favorable terms could lead the credit rating agencies to lower the corporate credit ratings of Transocean following the Transactions below currently expected levels and possibly below investment grade.

Market conditions could prohibit Transocean from refinancing the bridge loan facility at favorable rates and terms, which could limit its ability to efficiently repay debt and could cause Transocean to maintain a high level of leverage or issue debt with unfavorable terms and conditions. This leverage level could lead the credit rating agencies to downgrade the credit ratings of Transocean following the Transactions below currently expected levels and possibly to non-investment grade levels. Such ratings levels could negatively impact current and prospective customers' willingness to transact business with Transocean. Suppliers may lower or eliminate the level of credit provided through payment terms when dealing with Transocean thereby increasing the need for higher levels of cash on hand, which would decrease Transocean's ability to repay the debt balances as the parties currently anticipate.

The anticipated benefits of combining the companies may not be realized, and there may be difficulties in integrating the operations of Transocean and GlobalSantaFe.

Transocean and GlobalSantaFe entered into the merger agreement with the expectation that the Transactions would result in various benefits, including, among other things, synergies, cost savings and operating efficiencies. See "The Transactions Transocean's Reasons for the Transactions" and "The Transactions GlobalSantaFe's Reasons for the Transactions." The combined company may not achieve these benefits at the levels expected or at all. If the combined company fails to achieve these expected

benefits, the results of operations and the enterprise value of the combined company may be adversely affected.

Prior to the consummation of the Transactions, Transocean and GlobalSantaFe will continue to operate as separate companies. The combined company may not be able to integrate the operations of Transocean and GlobalSantaFe without a loss of employees, customers or suppliers, a loss of revenues, an increase in operating or other costs or other difficulties. In addition, the combined company may not be able to realize the operating efficiencies, synergies, cost savings or other benefits expected from the Transactions. Any unexpected delays incurred in connection with the integration could have an adverse effect on the combined company's business, results of operations or financial condition.

Transocean and GlobalSantaFe will incur significant transaction and merger-related integration costs in connection with the Transactions.

Transocean and GlobalSantaFe expect to incur costs associated with consummating the Transactions and integrating the operations of the two companies of approximately $372 million. These costs include investment banking, financing, legal and accounting fees and expenses, SEC filing fees, printing expenses, mailing expenses and other related charges, severance and retention costs, change in control costs, and benefit plan harmonization costs. These amounts are preliminary estimates that are subject to change. A portion of these costs will be incurred regardless of whether the Transactions are completed.

Some of the directors and executive officers of Transocean and GlobalSantaFe have interests in the Transactions that are different from the interests of the shareholders of Transocean and GlobalSantaFe.

When considering the recommendation of the Transocean board of directors with respect to the Reclassification, the issuance of Transocean ordinary shares in the Merger and the amendment and restatement of Transocean's memorandum of association and articles of association, Transocean shareholders should be aware that some directors and executive officers of Transocean have interests in the Transactions that are different from, or in addition to, the interests of the shareholders of Transocean. These interests include (1) their designation as directors or officers of the combined company, (2) the fact that the completion of the Transactions will result in the acceleration of vesting of equity-based awards held by directors and executive officers and certain cash-based awards held by executive officers, (3) the fact that certain executive officers of Transocean are participants under Transocean's Executive Change of Control Severance Benefit that will entitle them to cash payments and other benefits if the Transactions are completed and their employment is terminated or if the executive resigns for good reason, as defined in the policy and (4) their indemnification by Transocean.

When considering the recommendation of the GlobalSantaFe board of directors with respect to the Merger, GlobalSantaFe shareholders should be aware that some directors and officers of GlobalSantaFe have interests in the Transactions that are different from, or in addition to, the interests of the shareholders of GlobalSantaFe. These interests include (1) their designation as directors or executive officers of the combined company, (2) the fact that shareholder approval of the Merger or, in some cases, the completion of the Transactions, will result in the acceleration of vesting of equity-based awards held by directors and executive officers, (3) the fact that certain executive officers of GlobalSantaFe have entered into change of control agreements with GlobalSantaFe that will entitle them to cash payments and other benefits if the Transactions are completed and their employment is terminated or if the executive terminates his or her employment for good reason, as defined in the agreements, and (4) their indemnification by Transocean.

Shareholders should consider these interests in conjunction with the recommendation of the directors of Transocean and GlobalSantaFe of approval of the Transactions. These interests have been described more fully in "The Transactions Interests of Certain Persons in the Transactions."

Transocean is subject to anti-takeover provisions.

Transocean's articles of association contain provisions that could prevent or delay an acquisition of the company by means of a tender offer, a proxy contest or otherwise. These provisions may also adversely affect prevailing market prices for Transocean's ordinary shares. These provisions, among other things:

- classify Transocean's board into three classes of directors, each of which will serve for staggered three-year periods;
- provide that Transocean's board may designate the terms of any new series of preference shares;
- provide that any shareholder who wishes to propose any business or to nominate a person or persons for election as director at any annual meeting may only do so if advance notice is given to the Secretary of Transocean;
- provide that the exact number of directors on Transocean's board can be set from time to time by a majority of the whole board of directors and not by Transocean's shareholders, subject to a minimum of two and a maximum of 13, or 14 if the proposal to amend and restate Transocean's memorandum of association and articles of association is approved by shareholders of Transocean;
- provide that directors can be removed from office only for cause, as defined in Transocean's articles of association, by the affirmative vote of the holders of the issued shares generally entitled to vote;
- provide that any vacancy on the board of directors will be filled by the affirmative vote of the remaining directors and not by the shareholders;
- provide that any action required or permitted to be taken by the holders of ordinary shares must be taken at a duly called annual or extraordinary general meeting of shareholders unless taken by written consent of all holders of ordinary shares;
- provide that only a majority of the directors may call extraordinary general meetings of the shareholders;
- limit the ability of the shareholders of Transocean to amend or repeal some provisions of Transocean's articles of association; and
- limit transactions between Transocean and an "interested shareholder," which is generally defined as a shareholder that, together with its affiliates and associates, beneficially, directly or indirectly, owns 15% or more of Transocean's issued voting shares.

Upon completion of the Transactions, in addition to the foregoing, the Transocean board of directors will be comprised of seven persons designated by Transocean and seven persons designated by GlobalSantaFe (or their replacements designated by the applicable group of directors) for two years after the date of the completion of the Transactions. Under the amended and restated articles of association of Transocean that will be in effect after the completion of the Transactions, at each annual general meeting held during the two years following the completion of the Transactions, each such director whose term expires during such period will be nominated for re-election (or another person selected by the applicable group of directors will be nominated for election) to the Transocean board of directors.

See "Description of Share Capital of Transocean" beginning on page 154 and "Comparison of Rights of Shareholders" beginning on page 160.

Risks Relating to the Business of the Combined Company Following the Completion of Transactions

The business of the combined company depends on the level of activity in the offshore oil and gas industry, which is significantly affected by volatile oil and gas prices and other factors.

The combined company's business depends on the level of activity in oil and gas exploration, development and production in market sectors worldwide, with the U.S. and international offshore areas being the combined company's primary market sectors. Oil and gas prices and market expectations of potential changes in these prices significantly affect this level of activity. However, higher commodity prices do not necessarily translate into increased drilling activity since customers' expectations of future commodity prices typically drive demand for the combined company's rigs. Also, increased competition for customers' drilling budgets could come from, among other areas, land-based energy markets in Africa, Russia, other former Soviet Union States, the Middle East and Alaska. The availability of quality drilling prospects, exploration success, relative production costs, the stage of reservoir development and political and regulatory environments also affect customers' drilling campaigns. Worldwide military, political and economic events have contributed to oil and gas price volatility and are likely to do so in the future. Oil and gas prices are extremely volatile and are affected by numerous factors, including the following:

- worldwide demand for oil and gas;
- the ability of the Organization of Petroleum Exporting Countries ("OPEC") to set and maintain production levels and pricing;
- the level of production in non-OPEC countries;
- the policies of various governments regarding exploration and development of their oil and gas reserves;
- advances in exploration and development technology; and
- the worldwide military and political environment, including uncertainty or instability resulting from an escalation or additional outbreak of armed hostilities or other crises in the Middle East or other geographic areas or further acts of terrorism in the United States, or elsewhere.

The combined company's industry will be highly competitive and cyclical, with intense price competition.

The offshore contract drilling industry is highly competitive with numerous industry participants, none of which has a dominant market share. Drilling contracts are traditionally awarded on a competitive bid basis. Intense price competition is often the primary factor in determining which qualified contractor is awarded a job, although rig availability and the quality and technical capability of service and equipment may also be considered. Mergers among oil and natural gas exploration and production companies have reduced the number of available customers.

This industry has historically been cyclical and is impacted by oil and gas price levels and volatility. There have been periods of high demand, short rig supply and high dayrates, followed by periods of low demand, excess rig supply and low dayrates. Changes in commodity prices can have a dramatic effect on rig demand, and periods of excess rig supply intensify the competition in the industry and often result in rigs being idle for long periods of time. The combined company may be required to idle rigs or enter into lower rate contracts in response to market conditions in the future.

During prior periods of high utilization and dayrates, industry participants have increased the supply of rigs by ordering the construction of new units. This has typically resulted in an oversupply of drilling units and has caused a subsequent decline in utilization and dayrates, sometimes for extended periods of time. There are numerous high-specification rigs and jackups under contract for construction and mid-water semisubmersibles that are being upgraded to enhance their operating capability. The entry into service of these new and upgraded units will increase supply and could curtail a further strengthening of dayrates, or reduce them, as rigs are absorbed into the active fleet. Any further increase in construction of new drilling units would likely exacerbate the negative impact on utilization and dayrates. Lower utilization and dayrates in one or more of the regions in which the combined company will operate could adversely affect the combined company's revenues and profitability. Prolonged periods of low utilization and dayrates could also result in the recognition of impairment charges on certain classes of the combined company's drilling rigs or goodwill balance if future cash flow estimates, based upon information available to management at the time, indicate that the carrying value of these rigs, or the goodwill balance, may not be recoverable.

The combined company's business involves numerous operating hazards.

The combined company's operations will be subject to the usual hazards inherent in the drilling of oil and gas wells, such as blowouts, reservoir damage, loss of production, loss of well control, punch-throughs, craterings, fires and natural disasters such as hurricanes and tropical storms. The occurrence of these events could result in the suspension of drilling operations, damage to or destruction of the equipment involved and injury or death to rig personnel. The combined company will also be subject to personal injury and other claims of rig personnel as a result of its drilling operations. Operations also may be suspended because of machinery breakdowns, abnormal drilling conditions, failure of subcontractors to perform or supply goods or services, or personnel shortages. In addition, offshore drilling operations are subject to perils peculiar to marine operations, including capsizing, grounding, collision and loss or damage from severe weather. Damage to the environment could also result from the combined company's operations, particularly through oil spillage or extensive uncontrolled fires. The combined company may also be subject to property, environmental and other damage claims by oil and gas companies. The combined company's insurance policies and contractual rights to indemnity may not adequately cover losses, and it will not have insurance coverage or rights to indemnity for all risks.

Consistent with standard industry practice, the combined company's clients generally assume, and indemnify it against, well control and subsurface risks under dayrate contracts. These are risks associated with the loss of control of a well, such as blowout or cratering, the cost to regain control or redrill the well and associated pollution. However, there can be no assurance that these clients will necessarily be financially able to indemnify the combined company against all these risks. Also, the combined company may be effectively prevented from enforcing these indemnities because of the nature of its relationship with some of its larger clients.

Transocean has maintained and the combined company is expected to maintain broad insurance coverage, including coverage for property damage, occupational injury and illness, and general and marine third-party liabilities. Property damage insurance covers against marine and other perils, including losses due to capsizing, grounding, collision, fire, lightning, hurricanes and windstorms (excluding named storms in the U.S. Gulf of Mexico, for which we generally have no coverage), action of waves, punch-throughs, cratering, blowouts and explosion. However, the combined company may maintain large self-insured deductibles for damage to its offshore drilling equipment and third-party liabilities similar to Transocean's current coverage. Prior to the Transactions, Transocean has generally maintained a $125 million per occurrence insurance deductible on hull and machinery (subject to an aggregate annual deductible of $250 million), a $10 million per occurrence deductible on personal injury liability for crew claims ($5 million for non-crew claims) and a $5 million per occurrence

deductible on third-party property damage. In addition to the per occurrence deductibles described above, Transocean also has an aggregate deductible of $50 million in the case of its personal injury liability and third-party property damage coverage that is applied to any occurrence in excess of the per occurrence deductible until the aggregate deductible is exhausted. These deductibles are significantly higher than those under GlobalSantaFe's current coverages. Transocean does not generally have coverage for losses due to hurricanes in the U.S Gulf of Mexico and war perils worldwide. Transocean generally insures all of its offshore drilling rigs against property damage, except for U.S Gulf of Mexico windstorm risk and war perils worldwide and subject to self-insured deductibles as described above; however, the amount of such insurance may be less than the related impact on enterprise value after a loss.

The combined company's insurance coverage will not in all situations provide sufficient funds to protect it from all liabilities that could result from its drilling operations. The combined company's coverage will include annual aggregate policy limits. As a result, the combined company will retain the risk through self-insurance for any losses in excess of these limits. Although GlobalSantaFe currently maintains loss of hire coverage, the combined company may not carry insurance for loss of revenue and certain other claims may not be reimbursed by insurance carriers. Any such lack of reimbursement may cause the combined company to incur substantial costs. In addition, the combined company could decide to retain substantially more risk through self-insurance.

Failure to obtain and retain key personnel could hurt the combined company's operations.

The combined company will require highly skilled personnel to operate and provide technical services and support for its drilling units and drilling management services. Competition for the labor required for drilling operations, including for turnkey drilling and drilling management services businesses and construction projects, has intensified as the number of rigs activated, added to worldwide fleets or under construction has increased, leading to shortages of qualified personnel in the industry and creating upward pressure on wages and possibly higher turnover. If turnover increases, the combined company could see a reduction in the experience level of its personnel, which could lead to higher downtime and more operating incidents, which in turn could decrease revenues and increase costs. In response to these labor market conditions, Transocean and GlobalSantaFe are increasing efforts in their recruitment, training, development and retention programs as required to meet the combined company's anticipated personnel needs. If these labor trends continue, the combined company may experience further increases in costs or limits on operations.

Labor costs and the operating restrictions under which the combined company will operate could increase as a result of collective bargaining negotiations and changes in labor laws and regulations.

Some of the employees and contracted labor of Transocean and GlobalSantaFe work under collective bargaining agreements, and most of these employees and contracted labor work in the United Kingdom, Nigeria and Norway. Many of these represented individuals are working under agreements that are subject to salary negotiation in 2007. These negotiations could result in higher personnel expenses, other increased costs or increased operating restrictions. Additionally, the unions in the United Kingdom are seeking an interpretation of the Offshore Working Directive, which was recently extended to include U.K. offshore workers, that could result in higher labor costs and undermine the combined company's ability to obtain a sufficient number of skilled workers in the United Kingdom.

Shipyard projects and other operations are subject to delays and cost overruns.

Between them, Transocean and GlobalSantaFe have committed to a total of six deepwater newbuild rig projects and Transocean has committed to two *Sedco 700*-series rig upgrades. In addition, Transocean and GlobalSantaFe are independently discussing other potential newbuild opportunities with several of their respective oil and gas company clients. The combined company will also have a

variety of other more limited shipyard projects at any given time. These shipyard projects are subject to the risks of delay or cost overruns inherent in any such construction project resulting from numerous factors, including the following:

- shipyard unavailability;
- shortages of equipment, materials or skilled labor;
- unscheduled delays in the delivery of ordered materials and equipment;
- engineering problems, including those relating to the commissioning of newly designed equipment;
- work stoppages;
- client acceptance delays;
- weather interference or storm damage;
- unanticipated cost increases; and
- difficulty in obtaining necessary permits or approvals.

These factors may contribute to cost variations and delays in the delivery of the combined company's upgraded and newbuild units and other rigs undergoing shipyard projects. Delays in the delivery of these units would result in delay in contract commencement, resulting in a loss of revenue to the combined company, and may also cause customers to terminate or shorten the term of the drilling contract for the rig pursuant to applicable late delivery clauses. In the event of termination of one of these contracts, the combined company may not be able to secure a replacement contract on as favorable terms.

The operations of the combined company will also rely on a significant supply of capital and consumable spare parts and equipment to maintain and repair its fleet. It will also rely on the supply of ancillary services, including supply boats and helicopters. Recently, Transocean and GlobalSantaFe have experienced increased delivery times from vendors due to increased drilling activity worldwide and the increase in construction and upgrade projects, and have also experienced a tightening in the availability of ancillary services. Transocean is in the process of replacing its primary global logistics provider, which may result in delays and disruptions, and potentially increased costs, in some operations. Shortages in materials, delays in the delivery of necessary spare parts, equipment or other materials, or the unavailability of ancillary services could negatively impact the future operations of the combined company and result in increases in rig downtime, and delays in the repair and maintenance of its fleet.

A loss of a major tax dispute or a successful challenge to the combined company's tax structure could result in a significant loss or in a higher tax rate on the combined company's worldwide earnings or both.

The combined company will be a Cayman Islands company and also will operate through various subsidiaries around the world. The combined company's income taxes will be based upon the applicable tax laws and tax rates in effect in the countries in which it will operate and upon how it is structured in these countries. Its income tax returns will be subject to review and examination in such countries. The combined company will not recognize the benefit of income tax positions it believes are more likely than not to be disallowed upon challenge by a tax authority. If any tax authority successfully challenges the combined company's operational structure, intercompany pricing policies, the tax presence of key combined company entities in certain countries, or if the terms of certain income tax treaties are changed in a manner that is adverse to the combined company's structure, or if the combined company loses a material dispute in any country, particularly in the United States and Norway, its effective tax

rate on its worldwide earnings could increase substantially and its financial results could be materially adversely affected.

A change in tax laws, treaties or regulations, or their interpretation, of any country in which the combined company operates could result in a higher or lower tax rate on its worldwide earnings.

The combined company will operate worldwide through its various subsidiaries in a number of countries throughout the world. Consequently, the combined company will be subject to tax laws, treaties and regulations in and between the countries in which it operates. A change in those tax laws, treaties or regulations could result in a higher or lower effective tax rate on the combined company's worldwide earnings.

One such treaty is currently in the process of being renegotiated. This renegotiation will likely result in a change in the terms of the treaty that is adverse to the combined company's structure, which in turn would increase its effective tax rate, and such increase could be material. We are monitoring the progress of the treaty renegotiation with a view to determining what, if any, steps are appropriate to mitigate any potential negative impact. The combined company may not be able to fully, or partially, mitigate any negative impact of this treaty renegotiation or any other future changes in treaties.

Various proposals have been made in recent years that, if enacted into law, could have an adverse impact on the combined company. Examples include, but are not limited to, proposals that would broaden the circumstances in which a non-U.S. company would be considered U.S. resident and a proposal that could limit treaty benefits on certain payments by U.S. subsidiaries to non-U.S. affiliates. Such legislation, if enacted, could cause a material increase in the combined company's tax liability and effective tax rate.

The combined company's non-U.S. operations will involve additional risks not associated with its U.S. operations.

The combined company will operate in various regions throughout the world, which may expose it to political and other uncertainties, including risks of:

terrorist acts, war and civil disturbances;

expropriation or nationalization of equipment; and

the inability to repatriate income or capital.

The combined company will be protected to a substantial extent against loss of capital assets, but generally not loss of revenue, from most of these risks through indemnity provisions in its drilling contracts. Effective May 1, 2007, Transocean's assets are generally not insured against risk of loss due to perils such as terrorist acts, civil unrest, expropriation, nationalization and acts of war. Pollution and environmental risks generally are not totally insurable. If a significant accident or other event occurs and is not fully covered by insurance or an enforceable or recoverable indemnity from a client, it could adversely affect the combined company's consolidated financial position, results of operations or cash flows.

Many governments favor or effectively require the awarding of drilling contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction. These practices may adversely affect the combined company's ability to compete.

The combined company's non-U.S. contract drilling operations will be subject to various laws and regulations in countries in which the combined company will operate, including laws and regulations relating to the equipment and operation of drilling units, currency conversions and repatriation, oil and gas exploration and development and taxation of offshore earnings and earnings of expatriate personnel. Governments in some foreign countries have become increasingly active in regulating and

controlling the ownership of concessions and companies holding concessions, the exploration for oil and gas and other aspects of the oil and gas industries in their countries. In addition, government action, including initiatives by OPEC, may continue to cause oil or gas price volatility. In some areas of the world, this governmental activity has adversely affected the amount of exploration and development work done by major oil companies and may continue to do so.

Another risk inherent in the combined company's operations is the possibility of currency exchange losses where revenues are received and expenses are paid in nonconvertible currencies. The combined company may also incur losses as a result of an inability to collect revenues because of a shortage of convertible currency available in the country of operation.

Failure to comply with the U.S. Foreign Corrupt Practices Act could result in fines, criminal penalties, drilling contract terminations and an adverse effect on the combined company's business.

In June 2007, GlobalSantaFe's management retained independent outside counsel to conduct an internal investigation of its Nigerian and West African operations, focusing on brokers who handled customs matters with respect to its affiliates operating in those jurisdictions and whether those brokers have fully complied with the U.S. Foreign Corrupt Practices Act ("FCPA") and local laws. GlobalSantaFe commenced its investigation following announcements by other oilfield service companies that they were independently investigating the FCPA implications of certain actions taken by third parties in respect of customs matters in connection with their operations in Nigeria, as well as another company's recently announced settlement implicating a third party handling customs matters in Nigeria. In each case, the customs broker was reported to be Panalpina Inc., whom GlobalSantaFe used to obtain temporary import permits for its rigs operating offshore Nigeria. GlobalSantaFe voluntarily disclosed its internal investigation to the U.S. Department of Justice (the "DOJ") and the U.S. Securities and Exchange Commission (the "SEC") and, at their request, has expanded its investigation to include the activities of its customs brokers in other West African countries and the activities of one customs broker worldwide. The investigation is focusing on whether the brokers have fully complied with the requirements of their contracts, local laws and the FCPA. GlobalSantaFe's legal representatives are keeping the DOJ and SEC apprised of the scope and details of their investigation and producing relevant information in response to their requests. The audit committee of GlobalSantaFe's board of directors has had unfettered access to the independent outside counsel, and the general counsel and outside counsel have provided periodic updates to the committee during its meetings and to the chairman of the committee between such meetings as circumstances warrant. Should the investigation not be concluded prior to the effective date of the Transactions, it is anticipated that the independent outside counsel will begin formally reporting directly to the audit committee of the combined company. GlobalSantaFe cannot predict at this time the ultimate outcome of the investigation, the effect of implementing any further measures that may be necessary to ensure full compliance with applicable laws or to what extent, if at all, it could be subject to fines, sanctions or other penalties.

On July 25, 2007, Transocean's legal representatives met with the DOJ in response to a notice Transocean received requesting such a meeting regarding its engagement of Panalpina Inc. for freight forwarding and other services in the United States and abroad. The DOJ has informed Transocean that it is conducting an investigation of alleged FCPA violations by oil service companies who used Panalpina, Inc. and other brokers in Nigeria and other parts of the world. Transocean began developing an investigative plan which would allow it to promptly review and produce relevant and responsive information requested by the DOJ.

Subsequently, Transocean expanded the investigation to include one of Transocean's agents for Nigeria. The investigation is being conducted by outside counsel who reports directly to the Audit Committee of Transocean's board of directors. The investigation has focused on whether the customs brokers and agent have fully complied with the terms of their respective agreements, the FCPA and

local laws. Transocean has prepared and presented an investigative plan to the DOJ and has informed the SEC of the ongoing investigation. Transocean cannot predict the ultimate outcome of the investigation, the effect of implementing any further measures that may be necessary to ensure full compliance with applicable laws or to what extent, if at all, it could be subject to fines, sanctions or other penalties.

The GlobalSantaFe and Transocean investigations include a review of amounts paid to and by customs brokers in connection with the obtaining of permits for the temporary importation of vessels and the clearance of goods and materials. These permits and clearances are necessary in order for GlobalSantaFe and Transocean to operate their vessels in certain jurisdictions. There is a risk that either GlobalSantaFe or Transocean may not be able to obtain import permits or renew temporary importation permits in West African countries, including Nigeria, in a manner that complies with the FCPA. As a result, either GlobalSantaFe or Transocean may not have the means to renew temporary importation permits for rigs located in the relevant jurisdictions as they expire or to send goods and equipment into those jurisdictions, in which event such company may be forced to terminate the pending drilling contracts and relocate the rigs or leave the rigs in these countries and risk permanent importation issues, either of which could have an adverse effect on their or the combined company's financial results. In addition, termination of drilling contracts could result in damage claims by customers.

The combined company's operating and maintenance costs will not necessarily fluctuate in proportion to changes in operating revenues.

The combined company's operating and maintenance costs will not necessarily fluctuate in proportion to changes in operating revenues. Operating revenues may fluctuate as a function of changes in dayrate. However, costs for operating a rig are generally fixed or only semi-variable regardless of the dayrate being earned. In addition, should the combined company's rigs incur idle time between contracts, the combined company typically will not de-man those rigs because it will use the crew to prepare the rig for its next contract. During times of reduced activity, reductions in costs may not be immediate as portions of the crew may be required to prepare rigs for stacking, after which time the crew members are assigned to active rigs or dismissed. In addition, as the combined company's rigs are mobilized from one geographic location to another, the labor and other operating and maintenance costs can vary significantly. In general, labor costs increase primarily due to higher salary levels and inflation. Equipment maintenance expenses fluctuate depending upon the type of activity the unit is performing and the age and condition of the equipment. Contract preparation expenses vary based on the scope and length of contract preparation required and the duration of the firm contractual period over which such expenditures are amortized.

The combined company's drilling contracts may be terminated due to a number of events.

The combined company's customers may terminate or suspend some of its term drilling contracts without paying a termination fee under various circumstances such as the loss or destruction of the drilling unit, downtime or impaired performance caused by equipment or operational issues, some of which will be beyond the combined company's control, or sustained periods of downtime due to force majeure events. Suspension of drilling contracts results in loss of the dayrate for the period of the suspension. If the combined company's customers cancel some of its significant contracts and the combined company is unable to secure new contracts on substantially similar terms, it could adversely affect the combined company's results of operations. In reaction to depressed market conditions, customers may also seek renegotiation of firm drilling contracts to reduce their obligations.

The combined company will be subject to litigation that, if not resolved in its favor and not sufficiently insured against, could have a material adverse effect on the combined company.

The combined company will be subject to a variety of litigation and may be sued in additional cases. Certain subsidiaries of GlobalSantaFe and, to a lesser extent, certain subsidiaries of Transocean, are named as defendants in numerous lawsuits alleging personal injury as a result of exposure to asbestos, silicosis, exposure to toxic fumes or other occupational diseases and medical issues that can remain undiscovered for a considerable amount of time. Some of these subsidiaries that have been put on notice of potential liabilities have no assets. Other subsidiaries are subject to litigation relating to environmental damage. GlobalSantaFe and Transocean cannot predict the outcome of these cases involving their respective subsidiaries or the potential costs to resolve them. Insurance may not be applicable or sufficient in all cases, insurers may not remain solvent, and policies may not be located. Suits against non-asset-owning subsidiaries have and may in the future give rise to alter ego or successor in interest claims against the combined company and its asset-owning subsidiaries to the extent a subsidiary is unable to pay a claim or insurance is not available or sufficient to cover the claims. To the extent that one or more pending or future litigation matters are not resolved in the combined company's favor and are not covered by insurance, a material adverse effect on the combined company's financial results and condition could result.

Turnkey drilling operations expose the combined company to additional risks, which can adversely affect the combined company's profitability, because it assumes the risk for operational problems and the contracts are on a fixed-price basis.

The combined company will conduct most of its drilling services under dayrate drilling contracts where the customer pays for the period of time required to drill or work over a well. However, GlobalSantaFe enters into, and, after the effective time, the combined company will enter into, a significant number of turnkey contracts each year. The combined company's compensation under turnkey contracts will depend on whether it successfully drills to a specified depth or, under some of the contracts, completes the well. Unlike dayrate contracts, where ultimate control is exercised by the customer, the combined company will be exposed to additional risks when serving as a turnkey drilling contractor because it makes all critical decisions. Under a turnkey contract, the amount of the combined company's compensation is fixed at the amount it bid to drill the well. Thus, the combined company will not be paid if operational problems prevent performance unless it chooses to drill a new well at its expense. Further, the combined company must absorb the loss if problems arise that cause the cost of performance to exceed the turnkey price. Given the complexities of drilling a well, it is not unusual for unforeseen problems to arise. The combined company will not generally be insured against risks of unbudgeted costs associated with turnkey drilling operations. By contrast, in a dayrate contract, the customer retains most of these risks. As a result of the additional risks the combined company will assume in performing turnkey contracts, costs incurred from time to time exceed revenues earned. Accordingly, in prior quarters, GlobalSantaFe incurred significant losses on certain of its turnkey contracts, and the combined company can expect that will continue to be the case in the future. Depending on the size of these losses, they may have a material adverse affect on the profitability of the combined company's turnkey drilling segment in a given period.

Turnkey drilling operations are contingent on the combined company's ability to win bids and on rig availability, and the failure to win bids or obtain rigs for any reason may have a material adverse effect on the financial results of the combined company.

The combined company's results of operations from its drilling management services segment may be limited by certain factors, including its ability to find and retain qualified personnel, to hire suitable rigs at acceptable rates, and to obtain and successfully perform turnkey drilling contracts based on competitive bids. The combined company's ability to obtain turnkey drilling contracts is largely

dependent on the number of these contracts available for bid, which in turn is influenced by market prices for oil and natural gas, among other factors. Furthermore, the combined company's ability to enter into turnkey drilling contracts may be constrained from time to time by the availability of the combined company's or third-party drilling rigs. Constraints on the availability of rigs may cause delays in the combined company's drilling management projects and a reduction in the number of projects that the combined company can complete overall, which could have an adverse effect on the results of operations of the combined company's drilling management services business.

Public health threats could have a material adverse effect on the combined company's operations and its financial results.

Public health threats, such as the bird flu, Severe Acute Respiratory Syndrome, and other highly communicable diseases, outbreaks of which have already occurred in various parts of the world in which the combined company will operate, could adversely impact the combined company's operations, the operations of clients and the global economy, including the worldwide demand for oil and natural gas and the level of demand for the combined company's services. Any quarantine of personnel or inability to access the combined company's offices or rigs could adversely affect the combined company's operations. Travel restrictions or operational problems in any part of the world in which the combined company will operate, or any reduction in the demand for drilling services caused by public health threats in the future, may materially impact operations and adversely affect the combined company's financial results.

Compliance with or breach of environmental laws can be costly and could limit the combined company's operations.

The combined company's operations are subject to regulations controlling the discharge of materials into the environment, requiring removal and cleanup of materials that may harm the environment or otherwise relating to the protection of the environment. For example, as an operator of mobile offshore drilling units in navigable U.S. waters and some offshore areas, the combined company may be liable for damages and costs incurred in connection with oil spills related to those operations. Laws and regulations protecting the environment have become more stringent in recent years and may in some cases impose strict liability, rendering a person liable for environmental damage without regard to negligence. These laws and regulations may expose the combined company to liability for the conduct of or conditions caused by others or for acts that were in compliance with all applicable laws at the time they were performed. The application of these requirements or the adoption of new requirements could have a material adverse effect on the combined company's consolidated financial position, results of operations or cash flows.

Transocean and GlobalSantaFe have generally been able to obtain some degree of contractual indemnification pursuant to which their clients agree to protect and indemnify them against liability for pollution, well and environmental damages; however, there is no assurance that the combined company can obtain such indemnities in all of its contracts or that, in the event of extensive pollution and environmental damages, its clients will have the financial capability to fulfill their contractual obligations to the combined company. Also, these indemnities may not be enforceable in all instances. In addition, the combined company may be effectively prevented from enforcing these indemnities because of the nature of its relationship with some of its larger clients.

The combined company's ability to operate its rigs in the U.S. Gulf of Mexico could be restricted by governmental regulation.

Hurricanes Ivan, Katrina and Rita caused damage to a number of rigs in the U.S. Gulf of Mexico fleet, and rigs that were moved off location by the storms may have damaged platforms, pipelines, wellheads and other drilling rigs during their movements. The Minerals Management Service of the

U.S. Department of the Interior ("MMS") has conducted hearings and is undertaking studies to determine methods to prevent or reduce the number of such incidents in the future. The MMS issued guidelines requiring jackup drilling rigs operating in the U.S. Gulf of Mexico to operate during hurricane season with a greater air gap between the hull of the rig and the water, effectively reducing the water depth in which the rigs can operate. The regulations also require operators to conduct more stringent subjective risk assessments of the soil conditions in which the rigs operate in order to increase the survivability of rigs in hurricane conditions. These regulations limit the areas in which particular jackup rigs can operate and expose operators to greater risk of a contracted rig not being able to operate at a specified location, and may reduce the marketability of certain rigs or generally decrease the demand for jackup rigs during hurricane season. In 2006, the MMS issued interim guidelines requiring that semisubmersibles operating in the U.S. Gulf of Mexico assess their mooring systems against stricter criteria. In 2007 additional guidelines were issued which impose stricter criteria, requiring rigs to meet 25-year storm conditions. Although all of the combined company's semisubmersibles currently operating in the U.S. Gulf of Mexico meet the 2007 requirements, these guidelines may negatively impact the combined company's ability to operate other of its semisubmersibles in the U.S. Gulf of Mexico in the future. Moreover, the MMS may issue additional regulations that could increase the cost of operations or reduce the area of operations for the combined company's rigs in the future, thus reducing their marketability. Implementation of additional MMS regulations may subject it to increased costs or limit the operational capabilities of its rigs and could materially and adversely affect its operations in the U.S. Gulf of Mexico.

World political events could affect the markets for drilling services.

World political events have resulted in military action in Afghanistan and Iraq and terrorist attacks and related unrest. Military action by the United States or other nations could escalate and further acts of terrorism may occur in the U.S. or elsewhere. Such acts of terrorism could be directed against companies such as the combined company. Such developments have caused instability in the world's financial and insurance markets in the past. In addition, these developments could lead to increased volatility in prices for crude oil and natural gas and could affect the markets for drilling services. Insurance premiums could increase and coverages may be unavailable in the future.

U.S. government regulations may effectively preclude the combined company from actively engaging in business activities in certain countries. These regulations could be amended to cover countries where Transocean and GlobalSantaFe currently operate or where the combined company may wish to operate in the future.

CAUTIONARY INFORMATION REGARDING FORWARD-LOOKING STATEMENTS

This joint proxy statement and the documents incorporated by reference in this joint proxy statement contain both historical and forward-looking statements. All statements other than statements of historical fact are, or may be deemed to be, 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 include the information concerning possible or assumed future results of operations of Transocean and GlobalSantaFe, including statements about the following subjects:

- benefits, effects or results of the Transactions,
- cost reductions, operating efficiencies or synergies resulting from the Transactions,
- operations and results after the Transactions,
- integration of operations,
- business strategies,
- growth opportunities,
- competitive position,
- market outlook,
- expected financial position,
- expected results of operations,
- future cash flows,
- dividends,
- financing plans,
- budgets for capital and other expenditures,
- timing and cost of completion of capital projects,
- plans and objectives of management,
- timing and timeline of the Transactions,

tax treatment of the Transactions,

accounting treatment of the Transactions,

transaction-related expenses,

performance of contracts,

outcomes of legal proceedings,

compliance with applicable laws,

adequacy of insurance, and

any other statements regarding future growth, future cash needs, future operations, business plans and future financial results, and any other statements that are not historical facts.

Forward-looking statements in this joint proxy statement are identifiable by use of the following words and other similar expressions, among others:

"anticipate,"

"believe,"

"budget,"

"could,"

"estimate,"

"expect,"

"forecast,"

"intend,"

"may,"

"might,"

"plan,"

"predict,"

"project,"

"schedule," and

"should."

The following factors could affect the future results of operations of Transocean or GlobalSantaFe and could cause those results to differ materially from those expressed in the forward-looking statements included in this joint proxy statement or incorporated by reference:

- worldwide demand for oil and gas;
- oil and gas prices;
- the level of activity in offshore oil and gas exploration, development and production;
- exploration success by producers;
- competition and market conditions in the offshore contract drilling industry;
- the ability to enter into and the terms of future drilling contracts;
- delay or cost overruns on construction projects;
- drilling contracts may be terminated due to a number of events, including many beyond our control;
- risks of international operations and compliance with foreign laws;
- compliance with or breach of environmental laws;
- work stoppages by shipyard workers;
- delays in construction projects, which in some cases may trigger the drilling contract customer's right to terminate the drilling contract for the unit under construction;
- risks inherent in turnkey contracts;
- the availability of qualified personnel;
- labor relations and wage negotiations with unions;
- operating hazards;
- political and other uncertainties inherent in non-U.S. operations, including exchange and currency fluctuations;
- compliance with the FCPA;
- the impact of governmental laws and regulations;

the adequacy of sources of liquidity;

the availability of adequate insurance at a reasonable cost and risks of uninsured or self-insured losses;

changes in the tax laws;

the effect of litigation and contingencies;

fluctuations in the value of Transocean ordinary shares;

difficulties in integrating the operations of Transocean and GlobalSantaFe;

the anti-takeover provisions of Transocean's articles of association; and

the significant amount of debt of the combined company.

The above factors are in addition to those factors discussed:

- in this joint proxy statement under "Risk Factors" and " Transocean Reasons for the Merger" and " GlobalSantaFe Reasons for the Merger" subsections under "The Transactions" and elsewhere;

- in the documents that Transocean incorporates by reference into this joint proxy statement, including in the "Risk Factors" sections of Transocean's Annual Report on Form 10-K for the year ended December 31, 2006, and its Quarterly Reports on Form 10-Q for the quarters ended March 31, 2007, and June 30, 2007, and subsequent SEC filings; and

- in the documents that GlobalSantaFe incorporates by reference into this joint proxy statement, including in the "Risk Factors" sections of GlobalSantaFe's Annual Report on Form 10-K for the year ended December 31, 2006, and its Quarterly Reports on Form 10-Q for the quarters ended March 31, 2007, and June 30, 2007, and subsequent SEC filings.

Any projection or estimate by Transocean or GlobalSantaFe that was furnished to their respective financial advisors, including those statements summarized herein, were made as of a date shortly before the date of the merger agreement and spoke only as of the date furnished and have not been updated. These estimates and projections were only intended to be used by such financial advisors for analysis of the Transactions and are not intended to provide guidance as to future results and should not be relied upon for that purpose.

All subsequent written and oral forward-looking statements attributable to Transocean or GlobalSantaFe or to persons acting on their 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 neither Transocean nor GlobalSantaFe undertakes any obligation to publicly update or revise any forward-looking statements except as required by law.

THE TRANSOCEAN MEETING

Transocean is furnishing this joint proxy statement to its shareholders in connection with the solicitation of proxies by Transocean's board of directors for use at a meeting of its shareholders to consider the Reclassification, the issuance of Transocean ordinary shares in the Merger and the amendment and restatement of Transocean's memorandum of association and articles of association. Transocean is first mailing this joint proxy statement and accompanying form of proxy to its shareholders beginning on or about October 5, 2007.

The Transocean shareholders meeting is comprised of two parts held consecutively at the same location. The first part of the meeting is a vote of Transocean shareholders convened pursuant to an order of the Grand Court of the Cayman Islands (the "Grand Court") dated September 29, 2007, in respect of the Reclassification. The second part of the meeting is a general meeting of Transocean shareholders convened pursuant to the provisions of Transocean's articles of association in respect of the issuance of Transocean ordinary shares in the Merger and the amendment and restatement of Transocean's memorandum of association and articles of association. The enclosed proxy card will be used at both parts of the meeting. For purposes of this joint proxy statement, references to "the Transocean meeting" or "the meeting of Transocean shareholders" and similar terms refer to actions taken at either part of the meeting.

Time, Date and Place

The meeting of Transocean shareholders will be held on November 9, 2007, at 1:00 p.m., Cayman Islands time, at the Grand Cayman Marriott, Grand Cayman, Cayman Islands.

Purpose of the Transocean Meeting

At the meeting, Transocean's board of directors will ask the shareholders to vote to approve:

- a reclassification by way of a scheme of arrangement pursuant to which each Transocean ordinary share will be reclassified as, and exchanged for, 0.6996 Transocean ordinary shares and $33.03 in cash;
- the issuance, pursuant to the merger agreement, of Transocean ordinary shares in exchange for all of the then outstanding GlobalSantaFe ordinary shares at a ratio of 0.4757 Transocean ordinary shares (after giving effect to the Reclassification) and $22.46 in cash for each GlobalSantaFe ordinary share;
- the amendment and restatement of Transocean's memorandum of association and articles of association as described under "The Transactions Amendment and Restatement of Transocean's Memorandum of Association and Articles of Association"; and
- any other matters that properly come before the meeting and any adjournments or postponements of the meeting.

Transocean's board of directors has unanimously approved the Reclassification, the issuance of Transocean ordinary shares to GlobalSantaFe shareholders in the Merger, and the amendment and restatement of Transocean's memorandum of association and articles of association, and unanimously recommends that Transocean's shareholders vote "FOR" each proposal.

Record Date; Voting Rights; Vote Required for Approval

The Transocean board has fixed the close of business on October 1, 2007, as the record date for the Transocean meeting.

Only holders of record of Transocean ordinary shares on the record date are entitled to notice of and to vote at the meeting. You will not be the holder of record of shares that you hold in "street name." Instead, the depository (for example, Cede & Co.) or other nominee will be the holder of record of such shares.

On the record date of the Transocean meeting, approximately 290,802,547 Transocean ordinary shares were issued and entitled to be voted at the meeting. Each Transocean ordinary share entitles the holder to one vote.

The presence, in person or by proxy, of the holders of a majority of the outstanding Transocean ordinary shares is necessary to constitute a quorum at the meeting for purposes of proposals (2) and (3) below. Abstentions, proxies returned without instructions and broker non-votes will count in the determination of shares present at the meeting for purposes of determining the presence of a quorum. There is no formal quorum requirement in respect of proposal (1).

Assuming the presence of a quorum for purposes of proposals (2) and (3) below, the following shareholder votes are required to approve the indicated proposals at the meeting.

Proposal	Vote "FOR" Required
(1) Reclassification of the Transocean ordinary shares	a majority in number of the holders of the ordinary shares present and voting on the proposal, whether in person or by proxy, representing 75% or more in value of the ordinary shares present and voting on the proposal, whether in person or by proxy
(2) Issuance of Transocean ordinary shares to GlobalSantaFe shareholders in the Merger	holders of shares representing at least a majority of votes cast on the proposal, provided that the total number of votes cast represents a majority of the votes entitled to be cast
(3) Amendment and restatement of Transocean's memorandum of association and articles of association	holders of shares representing at least two-thirds of the votes cast on the proposal

Proposal (1) must be approved by a majority in number of the holders of ordinary shares present and voting on the proposal, whether in person or by proxy, representing 75% or more in value of the ordinary shares present and voting on the proposal, whether in person or by proxy. For the purpose of calculating the "majority in number" requirement for the approval of proposal (1), each registered Transocean shareholder, present and voting in person or by proxy, will be counted as a single shareholder, regardless of the number of shares voted by that shareholder. If a registered Transocean shareholder elects to vote a portion of such holder's Transocean ordinary shares in favor of the proposal, and a portion against the proposal, then, subject to any reasonable objection that it may raise, that registered shareholder will be counted as one Transocean shareholder voting in favor of the proposal and as one Transocean shareholder voting against proposal (1), thereby effectively cancelling out that registered shareholder's vote for the purposes of the "majority in number" calculation.

Approval of the proposals to approve the Reclassification, the issuance of Transocean ordinary shares to GlobalSantaFe shareholders in the Merger and the amendment and restatement of Transocean's memorandum of association and articles of association are conditions to the completion of the Transactions. These proposals, if approved, will be implemented only if the Transactions are completed.

The directors and executive officers of Transocean have indicated that they intend to vote their shares in favor of all of the proposals. On the record date, directors and executive officers of

Transocean and their affiliates beneficially owned less than one percent of the outstanding Transocean ordinary shares. In addition, Siem Industries, Inc., an affiliate of Kristian Siem, a director of Transocean, holds 1,423,720 ordinary shares of Transocean. Siem Industries has indicated that it intends to vote its shares in favor of all of the proposals.

Proxies

All ordinary shares of Transocean represented by properly executed proxies received at or prior to the Transocean meeting and not revoked will be voted in accordance with the instructions indicated in those proxies.

A properly executed proxy that is returned without instructions as to the vote desired on any or all of the proposals will be voted "FOR" each proposal. If any other matters properly come before the meeting, the persons named in the proxy card will vote the shares represented by all properly executed proxies in accordance with his best judgment, unless authority to do so is withheld in the proxy.

Transocean's shareholders may abstain on any or all of the proposals, by marking "ABSTAIN" with respect to any or all of the proposals.

Under New York Stock Exchange rules, brokers who hold shares in street name for customers have the authority to vote on "routine" proposals when they have not received instructions from beneficial owners, but are precluded from exercising their voting discretion with respect to proposals for "non-routine" matters. Proxies submitted by brokers without instructions from customers for these non-routine matters are referred to as "broker non-votes." Each of Transocean's proposals is a non-routine matter under NYSE rules.

The following table shows the effect that a proxy without instructions, an abstention or a "broker non-vote" will have on the votes on Transocean's proposals.

	Effect on Vote		
Proposal	**Proxy Without Instructions**	**Abstention**	**Broker Non-Votes**
(1) Reclassification of the Transocean ordinary shares	"FOR"	None(a)	None(a)
(2) Issuance of Transocean ordinary shares to GlobalSantaFe shareholders in the Merger	"FOR"	None(b)	None(b)
(3) Amendment and restatement of Transocean's memorandum of association and articles of association	"FOR"	None(c)	None(c)

(a) An abstention or broker non-vote on this proposal has the effect of a vote not being cast with respect to the relevant shares in relation to the proposal. As a consequence, such shares will not be considered when determining whether the proposal has received the required approval by a majority in number of the holders of the Transocean ordinary shares present and voting on the proposal, whether in person or by proxy, representing 75% or more in value of the ordinary shares present and voting on the proposal, whether in person or by proxy.

(b) As long as holders of shares representing a majority of the outstanding ordinary shares cast votes on this proposal, an abstention or broker non-vote on this proposal will not affect the voting on the proposal because the proposal requires the consent of shareholders, present and voting, entitled to exercise a majority of the votes cast. Otherwise, the effect of an abstention or broker non-vote is a vote "AGAINST" the proposal.

(c) An abstention or broker non-vote on this proposal has the effect of a vote not being cast with respect to the relevant shares in relation to the proposal. As a consequence, such shares will not be considered when determining whether the proposal has received the required approval by holders of shares representing two-thirds of the votes cast on the proposal.

A share with respect to which a shareholder is present in person or by proxy but abstains or is broker non-voted will be counted toward determining whether a quorum is present.

Transocean's shareholders may use the accompanying proxy card if they are unable or do not wish to attend the meeting in person, or if they wish to have their shares voted by proxy even though they do attend the meeting. Transocean's shareholders may revoke a proxy before it is voted by:

- delivering to the Secretary of Transocean at 4 Greenway Plaza, Houston, Texas 77046, before or at the meeting, a written notice revoking their proxy;
- delivering a later-dated, executed proxy card relating to the same shares; or
- if the person is a record holder, attending the meeting, notifying the Secretary and voting by ballot in person; however, if a Transocean shareholder of record attends the meeting but does not vote in person, that shareholder's proxy will still be voted.

If you do not appoint a proxy and you do not vote at the meeting, you will still be bound by the outcome. You are therefore strongly urged to attend and vote at the meeting in person or by proxy.

Transocean and GlobalSantaFe will equally share the expenses incurred in connection with the printing and mailing of this joint proxy statement. All other costs of solicitation of proxies from holders of Transocean's ordinary shares will be paid by Transocean. In addition to solicitation by mail, Transocean will make arrangements with brokerage houses and other custodians, nominees and fiduciaries to send the proxy materials to beneficial owners, and Transocean will, upon request, reimburse those brokerage houses and custodians for their reasonable related expenses. Transocean has retained D.F. King & Co., Inc. for a fee of $17,500, plus expenses, to aid in the solicitation of proxies from Transocean shareholders and to verify certain records related to the solicitations. To the extent necessary in order to ensure sufficient representation at its meeting, Transocean or its proxy solicitor may solicit the return of proxies by personal interview, mail, telephone, facsimile, Internet or other means of electronic transmission. The extent to which this will be necessary depends upon how promptly proxies are returned. Transocean urges its shareholders to send in their proxies without delay.

Transocean shareholders (including any beneficial owners of such shares that give voting instructions to a custodian or clearing house that subsequently votes on proposal (1)) who vote either for or against proposal (1) or who the Grand Court is satisfied have a substantial economic interest in the Transocean scheme of arrangement should note that they are entitled to appear in person or by counsel at the Grand Court hearing on November 20, 2007 at which Transocean will seek the sanction of the Reclassification. In addition, the Grand Court has wide discretion to hear from interested parties. Transocean has agreed that it will not object to the participation by any shareholder in the Grand Court hearing on the grounds that such person does not have a substantial economic interest in the relevant shares.

THE GLOBALSANTAFE MEETING

GlobalSantaFe is furnishing this joint proxy statement to its shareholders in connection with the solicitation of proxies by GlobalSantaFe's board of directors for use at a meeting of its shareholders to consider the Merger. GlobalSantaFe is first mailing this joint proxy statement and accompanying form of proxy to its shareholders beginning on or about October 5, 2007.

The GlobalSantaFe shareholders meeting is comprised of two parts held consecutively at the same location. The first part of the meeting is comprised of a vote of GlobalSantaFe's shareholders convened pursuant to an order of the Grand Court dated September 29, 2007, in respect of the Merger (the "GlobalSantaFe court-mandated vote"). Under Cayman Islands law, such a court-mandated vote is required in order to approve a scheme of arrangement such as the Merger. In addition, because GlobalSantaFe's articles of association require the separate approval of an amalgamation, such as the Merger, by GlobalSantaFe's shareholders, there will be another vote taken during the second part of the meeting to approve the Merger, which vote will be conducted in accordance with the requirements of an extraordinary general meeting of GlobalSantaFe shareholders under GlobalSantaFe's articles of association (the "GlobalSantaFe general vote"). Under Cayman Islands law, GlobalSantaFe must hold two separate votes on the proposal as described below. The enclosed proxy card or any proxy that a shareholder of record submits via the Internet or telephone will be used at both parts of the meeting. For purposes of this joint proxy statement, references to "the GlobalSantaFe meeting," "the meeting of GlobalSantaFe shareholders" or similar terms refer to actions taken at either the GlobalSantaFe court-mandated vote or the GlobalSantaFe general vote unless the context requires otherwise.

Time, Date and Place

The meeting of GlobalSantaFe's shareholders will be held on November 9, 2007, at 1:00 p.m., Cayman Islands time, at the Grand Cayman Marriott, Grand Cayman, Cayman Islands.

Purpose of the GlobalSantaFe Meeting

During each part of the meeting, GlobalSantaFe's board of directors will ask its shareholders to vote to approve:

- the Scheme of Arrangement and Amalgamation in connection with the Agreement and Plan of Merger, dated as of July 21, 2007, attached as Annex H to this joint proxy statement, pursuant to which GlobalSantaFe would merge with a wholly-owned subsidiary of Transocean Inc. and each outstanding ordinary share of GlobalSantaFe would be exchanged for 0.4757 Transocean ordinary shares (after giving effect to the reclassification of Transocean's existing ordinary shares) and $22.46 in cash, the effect of which will be to transfer the assets, liabilities and undertaking of GlobalSantaFe to Merger Sub, conditional upon the completion of the Merger; and

- any other matters that properly come before that part of the meeting and any adjournments or postponements thereof.

GlobalSantaFe's board of directors has unanimously (with one director absent) approved the Merger and recommends that GlobalSantaFe's shareholders vote "FOR" the proposal.

Record Date; Voting Rights; Vote Required for Approval

GlobalSantaFe has fixed the close of business on October 1, 2007, as the record date for the GlobalSantaFe meeting.

Only holders of record of GlobalSantaFe ordinary shares on the record date are entitled to notice of and to vote at the GlobalSantaFe meeting. You will not be the holder of record of shares that you

hold in "street name." Instead, the depository (for example, Cede & Co.) or other nominee will be the holder of record of such shares.

On the record date, approximately 225,525,454 GlobalSantaFe ordinary shares were issued and entitled to be voted at the GlobalSantaFe meeting. Each GlobalSantaFe ordinary share entitles the holder to one vote.

There is no formal quorum requirement in respect of the approval of the proposal in connection with the GlobalSantaFe court-mandated vote. The presence, in person or by proxy, of the holders of a majority of the outstanding GlobalSantaFe ordinary shares is necessary to constitute a quorum for purposes of the GlobalSantaFe general vote. Abstentions, proxies returned without instructions and broker non-votes will count in the determination of shares present at the GlobalSantaFe meeting for purposes of determining the presence of a quorum with respect to the GlobalSantaFe general vote.

Assuming the presence of a quorum for purposes of the GlobalSantaFe general vote, the following votes are required to approve the proposal at the indicated part of the GlobalSantaFe meeting:

Part of Meeting	Vote "FOR" Required
(1) First part court-mandated vote	a majority in number of the holders of ordinary shares present and voting on the proposal, whether in person or by proxy, representing 75% or more in value of the ordinary shares present and voting on the proposal, whether in person or by proxy
(2) Second part general vote	holders of shares representing at least a majority of votes cast on the proposal, provided that the total number of votes cast represents a majority of the votes entitled to be cast

Proposal (1) must be approved by a majority in number of the holders of ordinary shares present and voting on the proposal, whether in person or by proxy, representing 75% or more in value of the ordinary shares present and voting on the proposal, whether in person or by proxy. For the purpose of calculating the "majority in number" requirement for the approval of proposal (1), each registered GlobalSantaFe shareholder, present and voting in person or by proxy, will be counted as a single shareholder, regardless of the number of shares voted by that shareholder. If a registered GlobalSantaFe shareholder elects to vote a portion of such holder's GlobalSantaFe ordinary shares in favor of the proposal, and a portion against the proposal, then, subject to any reasonable objection that it may raise, that registered shareholder will be counted as one GlobalSantaFe shareholder voting in favor of the proposal and as one GlobalSantaFe shareholder voting against proposal (1), thereby effectively cancelling out that registered shareholder's vote for the purposes of the "majority in number" calculation.

Approval of the proposal at both parts of the meeting is a condition to the completion of the Transactions, including the Merger.

In connection with the GlobalSantaFe general vote, the vote of each joint holder of record, whether in person or by proxy, is required in order for such joint holder's vote to be counted. In connection with the GlobalSantaFe court-mandated vote, the vote of each joint holder of record, whether in person or by proxy, will be sufficient for such joint holder's vote to be counted.

The directors and executive officers of GlobalSantaFe have indicated that they intend to vote their shares in favor of the proposal. On the record date, directors and executive officers of GlobalSantaFe and their affiliates beneficially owned less than one percent of the outstanding GlobalSantaFe ordinary shares.

Proxies

All ordinary shares of GlobalSantaFe represented by properly executed proxies (including those given via the Internet or telephone) received in time to be voted at the GlobalSantaFe meeting and not revoked will be voted in accordance with the instructions indicated in those proxies.

A properly executed proxy (including those given via the Internet or telephone) that is returned without instructions as to the vote desired on any or all of the proposals will be voted "FOR" the proposal at each part of the GlobalSantaFe meeting. If any other matters properly come before the meeting, the persons named in the proxy card will vote the shares represented by all properly executed proxies in accordance with his best judgment, unless authority to do so is withheld in the proxy.

GlobalSantaFe's shareholders may abstain with respect to the proposal by marking "ABSTAIN."

Under New York Stock Exchange rules, brokers who hold shares in street name for customers have the authority to vote on "routine" proposals when they have not received instructions from beneficial owners, but are precluded from exercising their voting discretion with respect to proposals for "non-routine" matters. Proxies submitted by brokers without instructions from customers for these non-routine matters are referred to as "broker non-votes." The GlobalSantaFe proposal is a non-routine matter under NYSE rules.

The following table shows the effect that a proxy without instructions, an abstention or a "broker non-vote" will have on the votes on the GlobalSantaFe proposal at each part of the GlobalSantaFe meeting:

		Effect on Vote		
	Part of Meeting	**Proxy Without Instructions**	**Abstention**	**Broker Non-Votes**
(1)	First part court-mandated vote	"FOR"	None(a)	None(a)
(2)	Second part general vote	"FOR"	None(b)	None(b)

(a) For purposes of the GlobalSantaFe court-mandated vote, an abstention or broker non-vote on the proposal has the effect of a vote not being cast with respect to the relevant shares in relation to the proposal. As a consequence, such shares will not be considered when determining whether the proposal has received the required approval by a majority in number of the holders of the GlobalSantaFe ordinary shares present and voting on the proposal, whether in person or by proxy, representing 75% or more in value of the ordinary shares present and voting on the proposal, whether in person or by proxy.

(b) For purposes of the GlobalSantaFe general vote, as long as holders of shares representing a majority of the outstanding ordinary shares are present and a majority of those shares present are voted in favor of this proposal, an abstention or broker non-vote on the proposal will not affect the voting on the proposal because the proposal requires the consent of GlobalSantaFe shareholders, present and voting, representing a majority of the votes cast. Otherwise, the effect of an abstention or broker non-vote is a vote "AGAINST" the proposal.

A share with respect to which a shareholder is present in person or by proxy but abstains or is broker non-voted will be counted toward determining whether a quorum is present for purposes of the GlobalSantaFe general vote.

GlobalSantaFe's shareholders may use the accompanying proxy card, or vote via the Internet or telephone as described on the enclosed proxy card, if they are unable or do not wish to attend the meeting in person, or if they wish to have their shares voted by proxy even though they do attend the meeting. GlobalSantaFe's shareholders may revoke a proxy before it is voted by:

- delivering to the Secretary of GlobalSantaFe at GlobalSantaFe Corporation, 15375 Memorial Drive, Houston, Texas 77079, before the meeting, a written notice revoking their proxy;

delivering a later-dated, executed proxy card relating to the same shares, including with respect to proxies previously provided via the Internet or telephone; or

if the person is a record holder, attending the meeting, notifying the Secretary and voting by ballot in person; however, if a GlobalSantaFe shareholder of record attends the meeting but does not vote in person, that shareholder's proxy will still be voted.

If you do not appoint a proxy and you do not vote at the meeting, you will still be bound by the outcome. You are therefore strongly urged to attend and vote at the meeting in person or by proxy.

GlobalSantaFe shareholders of record will have the option to submit their proxy cards or voting instruction cards electronically via the Internet or telephone. GlobalSantaFe shareholders of record may submit their proxies:

by signing and returning the enclosed proxy card;

through the Internet by visiting a website established for that purpose at www.investorvote.com and following the instructions; or

by telephone by calling the toll-free number 1-800-652-VOTE (8683) in the United States, Canada and Puerto Rico on a touch-tone phone and following the recorded instructions.

Transocean and GlobalSantaFe will equally share the expenses incurred in connection with the printing and mailing of this joint proxy statement. All other costs of solicitation of proxies from holders of GlobalSantaFe's ordinary shares will be paid by GlobalSantaFe. In addition to solicitation by mail, GlobalSantaFe will make arrangements with brokerage houses and other custodians, nominees and fiduciaries to send the proxy materials to beneficial owners, and GlobalSantaFe will, upon request, reimburse those brokerage houses and custodians for their reasonable related expenses. GlobalSantaFe has retained Georegeson Inc. for a fee of $15,000, plus expenses, to aid in the solicitation of proxies from GlobalSantaFe shareholders and to verify certain records related to the solicitations. To the extent necessary in order to ensure sufficient representation at its meeting, GlobalSantaFe or its proxy solicitor may solicit the return of proxies by personal interview, mail, telephone, facsimile, Internet or other means of electronic transmission. The extent to which this will be necessary depends upon how promptly proxies are returned. GlobalSantaFe urges its shareholders to send in their proxies without delay.

GlobalSantaFe shareholders (including any beneficial owners of such shares that give voting instructions to a custodian or clearing house that subsequently votes at the GlobalSantaFe court-mandated vote) who vote either for or against the proposal during the GlobalSantaFe court-mandated vote or who the Grand Court is satisfied have a substantial economic interest in the GlobalSantaFe scheme of arrangement should note that they are entitled to appear in person or by counsel at the Grand Court hearing on November 20, 2007 at which GlobalSantaFe will seek the sanction of the Merger. In addition, the Grand Court has wide discretion to hear from interested parties. GlobalSantaFe has agreed that it will not object to the participation by any shareholder in the Grand Court hearing on the grounds that such person does not have a substantial economic interest in the relevant shares.

THE TRANSACTIONS

Background of the Merger

From time to time, the senior management of each of Transocean and GlobalSantaFe has engaged in preliminary discussions with other industry participants regarding the possibility of various business combination transactions. These discussions have been regularly reported to the boards of directors of Transocean and GlobalSantaFe, respectively. The boards of directors and management of Transocean and GlobalSantaFe have also from time to time reviewed possible strategic alternatives, including opportunities with other offshore drilling contractors, with the objective of further enhancing value for their respective shareholders.

During 2005 and early 2006, Robert L. Long, the Chief Executive Officer of Transocean, and Jon A. Marshall, the President and Chief Executive Officer of GlobalSantaFe, discussed the possibility of various transactions involving the two companies, including the dispositions of certain drilling units from each company to the other company and a potential all stock business combination between the two companies. The parties decided not to pursue a business combination between the two companies at the time, primarily due to the inability of the parties to agree on financial terms of the transaction.

During the summer of 2006, Messrs. Long and Marshall discussed their views regarding a potential business combination of the two companies; however, the parties were unable to agree on financial terms of the transaction and terminated discussions in early August 2006.

From time to time until late September 2006, Mr. Marshall held several discussions with the chief executive officer of another offshore drilling company, referred to herein as Company A, regarding the possibility of a business combination between GlobalSantaFe and Company A.

On September 15, 2006, Mr. Marshall renewed the dialogue with Mr. Long regarding the possibility of a business combination of the two companies and discussed possible management personnel and board representation of a combined company.

On October 4, 2006, Mr. Long and Mr. Marshall met to discuss the potential business combination, including possible financial terms, the potential form of consideration to be paid (i.e., cash, Transocean ordinary shares or a combination thereof) and management of the combined company.

On October 12, 2006, Transocean's management discussed these matters with the Transocean board of directors, which instructed management to further analyze a possible transaction. Following the board meeting, representatives of Transocean consulted with Goldman Sachs regarding an analysis of a potential combination of the two companies.

In late October 2006, another offshore drilling company, referred to herein as Company B, delivered to GlobalSantaFe a letter which indicated an interest in engaging in a business combination transaction. Thereafter, senior management of GlobalSantaFe had several conversations with senior management of Company B regarding the possibility of combining the companies.

In November 2006, the board of directors of GlobalSantaFe empowered the Nominating and Governance Committee to work with management in exploring the possibility of a sale of GlobalSantaFe to a private equity firm. The committee authorized members of senior management to hold preliminary discussions with two private equity groups. These discussions did not result in an offer from either private equity group. Also in November 2006, GlobalSantaFe engaged Lehman Brothers to advise the GlobalSantaFe board of directors with respect to an analysis of strategic alternatives.

On December 6, 2006, Transocean formally engaged Goldman Sachs as its financial advisor in connection with a possible business combination with GlobalSantaFe.

At a meeting of the board of directors of GlobalSantaFe held on December 7, 2006, GlobalSantaFe's senior management and Lehman Brothers reviewed with the board of directors of GlobalSantaFe various potential strategic alternatives, including possible business combinations with several competitors, including Transocean, a recapitalization and potential asset acquisitions.

On December 7, 2006, at a Transocean board of directors meeting, management reviewed a potential business combination with GlobalSantaFe. The board discussed the potential combination and determined that the financial terms of the combination at the time were not compelling and concluded no transaction should be pursued at that time. Following the meeting, Mr. Long informed Mr. Marshall of the Transocean board's decision.

In early February 2007, members of senior management of Company B again expressed to Mr. Marshall Company B's interest in acquiring GlobalSantaFe. Mr. Marshall advised Company B that he was not in a position to engage in discussions unless an acquisition proposal was made to GlobalSantaFe. Company B failed to make such an offer.

Later in February of 2007, Mr. Marshall met with the chief executive officer of Company A to gauge Company A's interest in a business combination between the companies. The chief executive officer of Company A informed Mr. Marshall that the board of directors of Company A was not interested in pursuing a transaction.

On February 26, 2007, GlobalSantaFe engaged Lehman Brothers in connection with the review by GlobalSantaFe of a business combination with Transocean. Thereafter, Lehman Brothers performed various financial analyses of a potential combination of Transocean and GlobalSantaFe under various structures and scenarios, including a possible GlobalSantaFe proposal to acquire Transocean.

Subsequently, at the regularly scheduled March 2007 meeting of the board of directors of GlobalSantaFe, Mr. Marshall updated the board of directors of GlobalSantaFe on the discussions he had held since the last board meeting. In addition, management reviewed with the board the prospect of a leveraged acquisition of Transocean. Management also discussed further with the board the possibility of a leveraged recapitalization of GlobalSantaFe. Following the March 2007 board meeting, senior management of GlobalSantaFe, together with Skadden, Arps, Slate, Meagher & Flom LLP, GlobalSantaFe's outside counsel, and Lehman Brothers, continued to analyze a possible leveraged acquisition of Transocean.

On March 21, 2007, Mr. Marshall again met with the chief executive officer of Company A, who reiterated that the board of directors of Company A was not interested in a transaction with GlobalSantaFe.

On March 23, 2007, Messrs. Long and Marshall met and Mr. Marshall suggested that GlobalSantaFe was considering a proposal to acquire Transocean. Messrs. Long and Marshall also discussed other possible transaction scenarios, including a "merger of equals" stock transaction and an acquisition of GlobalSantaFe by Transocean.

On March 29, 2007, Messrs. Long and Marshall met and Mr. Marshall asked if Transocean would be receptive to a cash offer by GlobalSantaFe to acquire Transocean. Mr. Long responded that if GlobalSantaFe made an offer, he would present it for consideration by the Transocean board at the regularly scheduled May 2007 board meeting.

During April 2007, the senior management of GlobalSantaFe, together with Skadden and Lehman Brothers, continued to review the parameters of an offer for Transocean.

Also during April 2007, Goldman Sachs began work on a financial analysis of a potential combination of Transocean and GlobalSantaFe under various structures and scenarios, including a possible GlobalSantaFe proposal to acquire Transocean. Transocean also consulted with Baker Botts L.L.P., Transocean's legal counsel, as to legal aspects relating to those matters.

On May 1, 2007, the board of directors of GlobalSantaFe held a special meeting to review a possible acquisition of Transocean. At the meeting, Lehman Brothers reviewed the financial aspects of an acquisition of Transocean with the GlobalSantaFe board of directors, and representatives of Skadden reviewed with the board certain legal aspects of such an acquisition. Lehman Brothers also advised the GlobalSantaFe board with respect to the ability of GlobalSantaFe to obtain financing for an acquisition of Transocean. The GlobalSantaFe board authorized a proposal by GlobalSantaFe to acquire Transocean for $106 per share in cash.

On May 7, 2007, at a meeting between Messrs. Long and Marshall, Mr. Robert Rose, Chairman of the Board of Directors of GlobalSantaFe, and Mr. J. Michael Talbert, Chairman of the Board of Directors of Transocean, GlobalSantaFe delivered a letter by which GlobalSantaFe proposed to acquire Transocean in an all cash transaction at a price of $106 per Transocean ordinary share, with the possibility of an equity component of the consideration representing up to 25% of the total consideration. The letter indicated a willingness to discuss Transocean's management contribution to, board representation for and the name of the combined company. At that time, the parties discussed the merits of a merger of equals transaction.

On the same day, following that meeting, Mr. Long and other representatives of Transocean met with representatives of Goldman Sachs and Baker Botts at Goldman Sachs' offices to discuss GlobalSantaFe's proposal. At this meeting, Goldman Sachs discussed both GlobalSantaFe's proposal and the possibility of a stock and cash merger transaction that involved significant borrowing by the combined company.

On May 10, 2007, Transocean's board of directors met and considered GlobalSantaFe's proposal. At the meeting, Goldman Sachs reviewed the financial aspects of the GlobalSantaFe proposal to acquire Transocean with Transocean's board of directors and representatives of Baker Botts and Walkers, Transocean's Cayman Islands legal counsel, advised the board regarding its fiduciary duties. Goldman Sachs also reviewed with the Transocean board other combination structures, including the possible stock and cash merger transaction that would return cash to Transocean shareholders. After discussion and consultation with its legal and financial advisors, the board determined not to pursue the proposal, and concluded that Transocean shareholders would be better served by Transocean instead continuing to pursue its strategic plan as an independent company.

On May 12, 2007, Mr. Long responded to GlobalSantaFe's May 7, 2007 letter. He indicated that Transocean's board of directors had determined not to pursue the GlobalSantaFe proposal. Nevertheless, Mr. Long indicated that a combination of the two companies could provide significant strategic benefit and the potential for the creation of increased value for shareholders. During the conversation, Mr. Marshall suggested the possibility of a transaction structured as a merger of equals and noted that he thought such a transaction was achievable.

On May 17, 2007, Mr. Long updated certain members of the Transocean board of directors regarding the potential business combination with GlobalSantaFe.

On May 20, 2007, Messrs. Long and Talbert met with Messrs. Marshall and Rose. Messrs. Long and Talbert responded to Mr. Marshall's suggestion of a possible merger of equals transaction and indicated that Transocean's board of directors might consider such a transaction with an exchange ratio based on current market prices for each company's ordinary shares if each company's shareholders also received proportionate cash consideration funded by approximately $15 billion of borrowings. The parties also discussed the management and board of directors of the combined company, including management succession issues.

On a May 21, 2007 board conference call, Mr. Long informed the Transocean board of directors of the prior day's meeting with the GlobalSantaFe representatives.

On May 22, 2007, Transocean instructed Baker Botts to begin preparing a draft merger agreement.

On May 25, 2007, Messrs. Long and Marshall met to discuss board representation and senior management positions of the combined company.

Beginning the week of May 28, 2007, representatives of Goldman Sachs and representatives of Transocean had discussions regarding the possibility of affiliates of Goldman Sachs providing the financing required for the cash portion of the transaction. These discussions were subsequently extended to include GlobalSantaFe and Lehman Brothers as to the possibility of affiliates of Lehman Brothers also providing a portion of such required financing.

On June 5, 2007, Messrs. Long and Marshall discussed by telephone potential board positions, board committee composition and the process for determining the market prices of each company's ordinary shares for purposes of establishing an exchange ratio based on those prices and whether the board of the combined company would have a vice chairman.

In early June, Mr. Marshall again met with members of senior management of Company B. At that meeting, the Company B representatives informed Mr. Marshall that Company B was not interested in acquiring GlobalSantaFe, but would be willing to consider a sale of Company B to GlobalSantaFe.

Subsequently, at the regularly scheduled June 2007 meeting of the board of directors of GlobalSantaFe, management, Skadden and Lehman Brothers updated the board of directors of GlobalSantaFe on the status of discussions with Transocean, as well as the opportunity to acquire Company B. In light of the GlobalSantaFe board's view of the greater benefits of the contemplated transaction with Transocean, GlobalSantaFe determined not to pursue an acquisition of Company B.

On June 8, 2007, Messrs. Long and Marshall met and discussed representation on the combined company's board of directors, committee chairs, chairman and vice chairman of the board, management succession issues and the anticipated amount of a termination fee for the transaction. The parties were not able to reach agreement on these issues.

On June 9, 2007, Messrs. Long and Marshall discussed these outstanding issues by telephone, but were again unable to reach a resolution.

On June 21, 2007, Messrs. Long, Marshall, Talbert and Rose met to discuss and try to resolve the outstanding issues. During the meeting, they agreed to recommend to their respective boards of directors: (1) the exchange ratio would not include any premium and would be based on the closing price of each company's shares on the last trading day prior to signing the merger agreement, (2) Mr. Rose would serve as chairman of the board of the combined company, (3) Mr. Long would serve as Chief Executive Officer and Mr. Marshall would serve as President and Chief Operating Officer and (4) each company would have an equal number of board members and the right to designate a chairman for two of the four committees of the board of the combined company. During the meeting, they also confirmed the prior agreements to recommend to their respective board of directors, (a) the transaction would include at least a $15 billion aggregate cash payment to the companies' shareholders, (b) the name of the combined company would be Transocean Inc., (c) the corporate policies and procedures of Transocean immediately prior to the transaction would be the corporate policies and procedures of the combined company and (d) the corporate headquarters of Transocean would be the corporate headquarters of the combined company.

On June 23, 2007, Baker Botts delivered a draft merger agreement and confidentiality and standstill agreement to GlobalSantaFe.

On June 25, 2007, representatives of Skadden and Baker Botts discussed the terms of the confidentiality and standstill agreement.

On June 26, 2007, representatives of Transocean and GlobalSantaFe and their respective financial and legal advisors met at the offices of Baker Botts and discussed the principal transaction terms,

possible structures of the transaction, anticipated financing of the cash payment in the transaction, the process for each company to conduct due diligence and the anticipated process and timing for completing the transaction. During that meeting, the parties entered into a mutual confidentiality and standstill agreement. The parties set a target of July 21, 2007 as a possible date to execute a definitive merger agreement.

On June 27, 2007, the board of directors of GlobalSantaFe held a special meeting, at which Mr. Marshall provided an update regarding the discussions with Transocean. From June 27, 2007, through July 21, 2007, representatives of GlobalSantaFe and Transocean and their respective legal and financial advisors negotiated the terms of the merger agreement, exchanged due diligence materials and met several times to discuss due diligence and financing matters.

On July 20, 2007, the closing price of Transocean's ordinary shares was $109.97, and the closing price of GlobalSantaFe's ordinary shares was $74.74. Following the close of trading on that day, Mr. Long and Mr. Marshall agreed to recommend to their respective board of directors that in connection with the proposed Transactions each Transocean ordinary share be reclassified into 0.6996 Transocean ordinary shares and $33.03 in cash and each GlobalSantaFe ordinary share be exchanged in the Merger for 0.4757 Transocean ordinary shares and $22.46 in cash.

On July 21, 2007, Transocean's board of directors met to consider the proposed Transactions. Transocean's management reviewed the strategic rationale and the anticipated benefits of the transaction to Transocean's shareholders, and presented an overview of the structure, terms and effects of the Transactions. Transocean's management also reviewed certain financial aspects of the Transactions and the results of the due diligence process. Representatives of Goldman Sachs reviewed with Transocean's board of directors the financial terms of the Transactions and presented certain financial analyses conducted with respect to the Transactions. Goldman Sachs then delivered its oral opinion (which was subsequently confirmed in writing) to the effect that, as of the date of the opinion and based upon and subject to the factors and assumptions set forth in the opinion, and after taking into account the Reclassification, in the aggregate the 0.4757 Transocean ordinary shares and the $22.46 in cash to be paid by Transocean in respect of each GlobalSantaFe ordinary share pursuant to the merger agreement was fair from a financial point of view to Transocean (see " Opinion of Goldman, Sachs & Co."). Baker Botts and Walkers, Transocean's legal advisors, reviewed the terms of the proposed merger agreement and the fiduciary obligations of the board of directors relating to the transaction. Transocean's board unanimously approved the merger agreement and related amendments to the Transocean memorandum of association and articles of association and authorized the officers to enter into the merger agreement and related transactions.

On July 21, 2007, the board of directors of GlobalSantaFe held a special meeting to consider further the strategic business combination between GlobalSantaFe and Transocean. At the meeting, GlobalSantaFe's management updated the board on the terms of the proposed transaction and the results of the due diligence process, and reviewed the strategic rationale and the anticipated benefits of the transaction to GlobalSantaFe's shareholders; and representatives of Skadden reviewed the terms of the proposed merger agreement and the fiduciary obligations of the board of directors when considering a strategic business combination with Transocean. Representatives of Lehman Brothers reviewed the financial terms of the Transactions and presented certain financial analyses conducted with respect to the Transactions, and each of Lehman Brothers and Simmons & Company rendered an oral opinion (as subsequently confirmed in writing in opinions dated July 21, 2007), that as of that date and based on and subject to the assumptions made, procedures followed, matters considered and limitations of review set forth in their respective opinions, the aggregate merger consideration to be received by GlobalSantaFe stockholders in the merger was fair from a financial point of view to such stockholders (see " Opinion of Lehman Brothers Inc." and " Opinion of Simmons & Company International"). Following discussions, the board of directors of GlobalSantaFe unanimously (with one director absent) approved the merger agreement, the merger, the other transactions contemplated by the merger

agreement and resolved to recommend the approval and adoption by GlobalSantaFe's stockholders of the merger agreement.

Following the board meetings, the merger agreement was finalized and on July 21, 2007, the parties signed the merger agreement. Both parties also signed the bridge loan facility commitment letters with affiliates of Goldman Sachs and Lehman Brothers. On July 23, 2007, Transocean and GlobalSantaFe issued press releases announcing the execution of the merger agreement.

Transocean's Reasons for the Transactions

The Transocean board of directors believes that the Transactions will create value for its shareholders, expand and enhance the combined company's offshore drilling fleet and thus better position the combined company to address the growing and more technically challenging needs of its customers on a global basis, provide its customers with consistently high-quality service in all key offshore drilling areas of the world and create opportunities for its employees. At the same time, the Transactions will allow Transocean shareholders to receive $33.03 in cash for each Transocean ordinary share they own.

In reaching its conclusion to approve the Transactions and recommend that Transocean's shareholders vote "FOR" the proposals, Transocean's board of directors consulted with members of management and its financial and legal advisors and considered many factors, including the following:

Strategic Considerations

The Transocean board of directors considered a number of factors pertaining to the strategic rationale for the Transactions as generally supporting its decision to enter into the merger agreement, including the following:

The Transactions will increase Transocean's presence in most major offshore operating areas, particularly in the Middle East, West Africa, the North Sea and South American jackup market sectors and other areas requiring heavy duty and harsh environment capabilities. The increased infrastructure in these areas should better enable the combined company to meet its customers' needs on a global basis.

The Transactions will increase the size and capability of Transocean's jackup fleet.

The Transactions will increase Transocean's ultra-deepwater and dynamic positioning capabilities.

The Transactions should strengthen the combined company's ability to serve customers in deepwater and heavy duty and harsh environment drilling. Both Transocean and GlobalSantaFe have technical expertise in deepwater drilling operations and in new rig construction programs. The two companies also share a history of technical leadership and innovative engineering in the offshore drilling industry.

As of July 21, 2007, the combined company would have a total contract revenue backlog of approximately $33 billion.

The cash payments in the Transactions will allow Transocean and GlobalSantaFe to provide substantial cash to their shareholders. Because the cash payments will be funded by borrowings, Transocean's board of directors believes the increased financial leverage will provide shareholders with the opportunity to realize an immediate cash benefit from the combined company's contract backlog and obtain increased benefits from improvements that might occur in the combined company's business. In addition, some shareholders may favor the increased financial leverage resulting from the Transactions.

The Transactions will enable Transocean to combine with GlobalSantaFe and pay partial cash consideration to GlobalSantaFe's shareholders, resulting in fewer shares being issued than would be issued in an all-stock transaction, and allow Transocean shareholders to retain more upside potential from improvements that might occur in the combined company's business than would be the case if GlobalSantaFe shareholders received only Transocean ordinary shares in the Merger.

Following the Transactions, the combined company will own, operate or manage 146 rigs, including five newbuilds currently under construction. The combined company will have an enhanced industry presence and a more diversified client base, and it will be better positioned, with an expanded resource base for training and developing personnel and accessing a more diverse talent pool, to meet its customers' needs and attract customers and qualified personnel.

The Transactions could enhance the company's position in the financial markets. The combined company would be the second largest oil services company based on equity capitalization as of the date of this joint proxy statement and could attract a broader group of large institutional investors, which may increase trading liquidity and create broader market visibility.

Completing the Transactions will significantly increase the combined company's debt level (the combined company's pro forma consolidated debt-to-total-capitalization ratio is 65% as of June 30, 2007, as compared to a historical 29% ratio for Transocean as a stand alone company on the same date). Due to the significance of the $33 billion revenue backlog of the combined company, Transocean expects that it will be able to complete the Transactions while preserving an investment grade rating.

Following the Transactions, the Transocean board expects potential net cost savings of between $100 million and $150 million per year to be achievable by 2010 through elimination of duplicative overhead costs and a reduction in insurance costs, partially offset by offshore harmonization costs that are expected to be incurred by the combined company.

Financial Considerations

The Transocean board also considered a number of financial factors pertaining to the Transactions as generally supporting its decision to enter into the merger agreement, including the following:

The Transocean board considered the presentation by and the opinion of Goldman Sachs dated as of July 21, 2007, to the effect that as of the date of the opinion and based upon and subject to the factors and assumptions set forth therein, and after taking into consideration the Reclassification, in the aggregate the 0.4757 Transocean ordinary shares and the $22.46 in cash to be paid by Transocean in respect of each GlobalSantaFe ordinary share pursuant to the merger agreement was fair, from a financial point of view, to Transocean. See " Opinion of Goldman, Sachs & Co."

The Transocean board reviewed the tax considerations of the Transactions, including the expectation that the Transactions will be tax-free to Transocean and that Transocean shareholders will recognize no income or gain in the Transactions, except with respect to cash received in the Reclassification.

Other Considerations

The Transocean board also considered a number of additional factors as generally supporting its decision to enter into the merger agreement, including the following:

The Transocean board believed the two companies share a common business philosophy and culture.

The Transocean board considered the financial performance and condition, business operations and future prospects of Transocean and GlobalSantaFe.

The Transocean board considered the management composition of the combined company, which will include Robert L. Long as Chief Executive Officer.

The Transocean board considered the terms and conditions of the merger agreement, including the fact that the consideration for the Transocean and GlobalSantaFe shareholders is fixed, the covenants applicable to each party, the conditions to completion of the Transactions, including required regulatory clearances, the right of the parties to the merger agreement, under specified circumstances, to respond to, evaluate and negotiate with respect to other business combination proposals, the circumstances under which the merger agreement could be terminated and the size and impact of the termination fee associated with a termination.

The Transocean board considered the opportunities and alternatives available to Transocean if the Transactions were not to be undertaken and the risks, uncertainties and expense of that strategy.

The Transocean board considered the amount and terms of the bridge loan facility, the potential for the combined company to refinance that indebtedness on more favorable terms following the Transactions and the possibility that the combined company might not be successful in achieving that refinancing on terms currently anticipated.

Risks

The Transocean board also identified and considered a number of uncertainties, risks and other potentially negative factors, including the following:

The Transocean board considered the challenges and potential costs of combining and integrating the businesses, and the attendant risks of not achieving expected cost savings.

Although Transocean's management views the Reclassification as the economic equivalent of a $10 billion share repurchase, the Reclassification is expected to be treated as a reverse stock split and a $10 billion dividend for accounting purposes. If the Transocean standalone (assuming no Transactions are completed) estimated 2008 and 2009 earnings per share are adjusted to reflect the reverse stock split in a similar fashion to how historical earnings per share will be adjusted for U.S. generally accepted accounting principles, or GAAP, then the effect of the Transactions would be dilutive to both estimated earnings and cash flow per share. See " Accounting Treatment and Considerations" and " Accretion and Dilution Issues."

The Transocean board considered the required regulatory clearances to complete the Transactions and the risk that governmental authorities might seek to impose unfavorable terms and conditions on the required clearances (and that the Transactions may not be completed as a result of such terms and conditions) or that such clearances may not be obtained at all. The Transocean board further considered the potential length of the regulatory clearance process and the period of time Transocean may be subject to the merger agreement without assurance that the process will be completed.

The Transocean board considered the interests of the officers and directors of Transocean and GlobalSantaFe in the Transactions that are different from or in addition to the interests of other shareholders, including the matters described under " Interests of Certain Persons in the Transactions."

The Transocean board considered the diversion of management focus and resources from other strategic opportunities and from operational matters while working to implement the Transactions.

The Transocean board also considered certain risks of GlobalSantaFe's business and operations, including the risks described in the "Risk Factors" section in GlobalSantaFe's Annual Report on Form 10-K and other filings with the SEC and in this joint proxy statement. Based on the due diligence process, the Transocean board determined that these risks were manageable as part of the ongoing business of the combined company.

In determining that the Transactions were advisable and in the best interests of Transocean's shareholders, the board of directors of Transocean considered the enumerated factors as a whole and did not quantify or otherwise assign relative weights to the different factors. The Transocean board of directors views its recommendation as being based on the totality of the information presented to and considered by it. Individual directors may have given different weights to different factors. Moreover, the foregoing discussion of the reasons for the Transactions is not intended to be exhaustive.

Recommendations of Transocean's Board of Directors

For the reasons discussed, Transocean's board of directors has determined that the merger agreement and the transactions contemplated by the merger agreement are advisable and in the best interests of Transocean and its shareholders, has unanimously approved the merger agreement and the transactions contemplated by the merger agreement, and recommends that shareholders vote "FOR" approval of the Reclassification, the issuance of ordinary shares to the shareholders of GlobalSantaFe in the Merger and the amendment and restatement of Transocean's memorandum of association and articles of association.

GlobalSantaFe's Reasons for the Transactions

The board of directors of GlobalSantaFe believes that the expanded and enhanced drilling fleet of the combined company will better position it to address the growing and more technically challenging needs of its customers on a global basis and provide its customers with consistently high quality service in all key drilling areas of the world. The GlobalSantaFe board of directors believes that the combined company will be a premier worldwide contract driller with the breadth and depth necessary to compete in today's international oil and natural gas drilling marketplace.

In reaching its conclusion to approve the Merger and recommend that GlobalSantaFe shareholders vote "FOR" the proposals, GlobalSantaFe's board of directors consulted with members of management and GlobalSantaFe's legal and financial advisors and considered many factors, including the following:

Strategic Considerations

The GlobalSantaFe board of directors considered a number of factors pertaining to the strategic rationale for the Merger as generally supporting its decision to enter into the merger agreement, including the following:

Its belief that the similar operating philosophies and cultures of the two companies will assist in integration of the companies and enhance customer service going forward.

The broader customer base of the combined company provided by Transocean's close relationship with certain national oil companies with which GlobalSantaFe has not traditionally conducted business.

Its expectation that the combined company's significant combined expertise and resources for technology development and application, particularly with respect to its technical experience in deepwater drilling operation and in newbuild construction programs, will enhance the combined company's competitiveness and ability to serve customers.

Its expectation that the increased operational scale and scope, and geographic diversity, of the combined company will:

- provide a more diversified revenue base,
- enable the combined company to better meet its customers' needs on a global basis,
- provide greater flexibility to deploy rigs into any market worldwide,
- reduce the possible impact of future economic downturns in any single geographic area, and
- provide regional economies of scale.

Its belief that the combined company will have a premier international drilling fleet in terms of technological capabilities, asset mix and incremental growth opportunities. In particular, the board considered that the combined company:

- would have a higher portion of ultra-deepwater and deepwater rigs than GlobalSantaFe's existing fleet. The GlobalSantaFe board believes that the combined company should benefit from the earnings stability generally associated with longer-term and higher priced contracts typically associated with deepwater and ultra-deepwater projects;
- would have five ultra-deepwater newbuild units under construction or subject to a firm commitment to build, all of which are already under contract for deployment following completion. The GlobalSantaFe board believes that these units will enhance the long-term organic growth prospects of the combined company with relatively low risk; and
- would own, operate or manage more than 140 rigs, including five ultra-deepwater newbuild units, 69 semisubmersibles and drillships and 68 jackups.

Its belief that the combined company will offer greater career opportunities for its employees and provide an enhanced focus on career development.

Its expectation that the approximately $33 billion revenue backlog of the combined company, together with the greater financial strength of the combined company, will enable the combined company to make the cash payments to GlobalSantaFe shareholders as part of the merger consideration while allowing the combined company to retain the financial flexibility to invest for future growth.

Its belief that the financing of the aggregate $15 billion cash payment to shareholders of GlobalSantaFe and Transocean in connection with the Transactions will improve the capital structure for the combined company while delivering immediate value to the GlobalSantaFe shareholders.

The fact that combined company would be the second largest oil services company based on enterprise value as of the date of the board's approval of the Merger, and the GlobalSantaFe board's belief that this fact should help attract a broader group of large institutional investors, which could increase trading liquidity, create broader market visibility and allow for the possibility of an increased stock market valuation multiple, as well as facilitate the refinancing of the indebtedness incurred in connection with the Transactions.

Its expectation that the combined company will maintain an investment-grade rating as of the closing of the Merger, notwithstanding that the financing of the Transactions will significantly increase the outstanding debt of the combined company.

Its expectation that potential cost savings of between $100 million and $150 million per year are achievable by 2010 through elimination of duplicative insurance expense, overhead and

redundant shore-based facilities and increased purchasing power in areas such as operating materials and supplies and capital equipment.

Financial Considerations

The GlobalSantaFe board also considered a number of financial factors pertaining to the Merger as generally supporting its decision to enter into the merger agreement, including the following:

The oral opinion delivered by Lehman Brothers on July 21, 2007, to the board of directors of GlobalSantaFe, which was subsequently confirmed in writing, that, as of that same date and based upon and subject to certain matters and qualifications stated in the opinion letter, from a financial point of view, the consideration to be offered to GlobalSantaFe's shareholders in the Merger is fair to such shareholders, as more fully described below under the caption " Opinion of Lehman Brothers Inc."

The oral opinion delivered by Simmons & Company on July 21, 2007, to the board of directors of GlobalSantaFe, which was also confirmed in writing, to the effect that, as of that date and based upon and subject to factors and assumptions set forth in its opinion, the merger consideration to be received by GlobalSantaFe's shareholders was fair to GlobalSantaFe's shareholders from a financial point of view, as more fully described below under the caption " Opinion of Simmons & Company International."

The amount and form of consideration to be received by the GlobalSantaFe shareholders in connection with the Merger.

In general, GlobalSantaFe shareholders will only be subject to tax to the extent of cash received.

Other Considerations

The GlobalSantaFe board also considered a number of additional factors as generally supporting its decision to enter into the merger agreement, including the following:

The governance structure of the combined company, including that:

The board of Transocean following the Transactions will be composed of 14 directors, seven of whom will be designated by GlobalSantaFe;

The chairman of the board of Transocean following the Transactions will be Robert E. Rose, the current chairman of the board of GlobalSantaFe, and the president and chief operating officer of Transocean following the Transactions will be Jon A. Marshall, the current president and chief executive officer of GlobalSantaFe; and

The membership on the committees of the board of directors of Transocean following the Transactions will be evenly allocated between former GlobalSantaFe directors and Transocean directors.

Information concerning the financial condition, results of operations, prospects and businesses of GlobalSantaFe and Transocean, including the respective companies' backlog, cash flows from operations, recent performance of its ordinary shares, as well as current industry, economic and market conditions.

Its review of possible opportunities and alternatives that could be available to GlobalSantaFe if the proposed combination with Transocean were not undertaken, including pursuing other growth opportunities and strategies, and the risks, uncertainties and expenses of those alternatives.

The terms and conditions of the merger agreement, including

- The fact that the merger consideration is fixed;
- The covenants applicable to each party;
- The conditions to completion of the Merger, including receipt of required regulatory clearances and shareholder approvals;
- The rights of the parties to the merger agreement, under specified circumstances, to respond to, evaluate and negotiate with respect to other acquisition proposals; and
- The circumstances under which the merger agreement could be terminated and the size and impact of termination fees associated with a termination.

Risks

The GlobalSantaFe board also identified and considered a number of uncertainties, risks and other potentially negative factors, including the following:

- The fact that certain executive officers and directors of GlobalSantaFe have interests in the Merger that are different from, or in addition to, the interests of the GlobalSantaFe shareholders, as more particularly described under " Interests of Certain Persons in the Transactions Interests of GlobalSantaFe Directors and Executive Officers in the Transactions."
- The lack of a collar or floor on the exchange ratio to protect the minimum value of the ordinary shares of Transocean to be received by GlobalSantaFe shareholders if the value of Transocean's ordinary shares declines.
- The challenges and potential costs of combining and integrating the businesses of GlobalSantaFe and Transocean, and the attendant risks of not achieving the expected cost savings.
- The level of debt of the combined company.
- The risk that the expected synergies and other benefits of the Merger might not be fully achieved or may not be achieved within the timeframes expected.
- The possibility that regulatory or governmental authorities might seek to impose conditions on or otherwise prevent or delay the Merger (and that the Merger ultimately may not be completed as a result of conditions imposed by regulatory authorities or otherwise).
- The risk that the Merger may not be completed and the possible adverse implications for investor relations, management credibility and employee morale in such event.
- The risk that the completion of the Merger might be delayed, the potential impact of the restrictions under the merger agreement on GlobalSantaFe's ability to take certain actions during the period prior to the closing of the Merger (which may delay or prevent GlobalSantaFe from undertaking business opportunities that may arise pending completion of the Merger) and the potential for diversion of management and employee attention and for increased employee attrition during that period.

The GlobalSantaFe board of directors considered the risks to be assumed in the Merger in general, including the risks described under "Risk Factors."

In determining that the Merger is in the best interest of GlobalSantaFe and its shareholders, the GlobalSantaFe board of directors considered the enumerated factors as a whole and did not quantify or otherwise assign relative weights to the different factors or determine that any factor was of particular importance. The GlobalSantaFe board of directors views its recommendation as being based on the totality of the information presented to and considered by it. The GlobalSantaFe board of directors

considered all these factors and determined that these factors, as a whole, supported the conclusions and recommendations described below. Individual directors may have given different weights to different factors. Moreover, the foregoing discussion of the reasons for the Merger is not intended to be exhaustive.

It should be noted that this explanation of the GlobalSantaFe board of directors' reasoning and all other information presented in this section is forward-looking in nature and, therefore, should be read along with the factors discussed under the heading "Cautionary Information Regarding Forward-Looking Statements."

Recommendation of GlobalSantaFe's Board of Directors

GlobalSantaFe's board of directors has unanimously determined (with one director absent) that the merger agreement and the transactions contemplated thereby are advisable and are fair to, and in the best interests of, GlobalSantaFe and its shareholders, and recommends that its shareholders vote "FOR" the proposals.

Opinion of Goldman, Sachs & Co.

Transocean retained Goldman Sachs as its financial advisor in connection with the Merger.

In this capacity Goldman Sachs rendered its opinion to Transocean's board of directors that, as of July 21, 2007, and based upon and subject to the factors and assumptions set forth therein, and after taking into consideration the Reclassification, in the aggregate the 0.4757 Transocean ordinary shares and the $22.46 in cash to be paid by Transocean in respect of each GlobalSantaFe ordinary share pursuant to the merger agreement was fair from a financial point of view to Transocean.

The full text of the written opinion of Goldman Sachs, dated July 21, 2007, which sets forth assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with the opinion, is attached as Annex B and is incorporated by reference in this joint proxy statement. You should read the opinion in its entirety. Goldman Sachs provided its opinion for the information and assistance of Transocean's board of directors in connection with its consideration of the transactions contemplated by the merger agreement. The Goldman Sachs opinion is not a recommendation as to how any holder of Transocean ordinary shares should vote with respect to the Merger, the Reclassification or any other matter.

In connection with rendering the opinion described above and performing its related financial analyses, Goldman Sachs reviewed, among other things:

- the merger agreement;
- the annual reports to shareholders and the Annual Reports on Form 10-K of Transocean and GlobalSantaFe for the five fiscal years ended December 31, 2006;
- certain interim reports to shareholders and Quarterly Reports on Form 10-Q of Transocean and GlobalSantaFe;
- certain other communications from Transocean and GlobalSantaFe to their respective shareholders; and
- certain internal financial analyses and forecasts for Transocean prepared by its management and certain financial analyses and forecasts for GlobalSantaFe prepared by the management of Transocean (the "Forecasts"), including certain cost savings and operating synergies projected by the management of Transocean to result from the Transactions (the "Synergies").

Goldman Sachs also held discussions with members of the senior management of Transocean and GlobalSantaFe regarding their assessment of the strategic rationale for, and the potential benefits of,

the Merger and the past and current business operations, financial condition and future prospects of their respective companies. In addition, Goldman Sachs:

- reviewed the reported price and trading activity for Transocean ordinary shares and GlobalSantaFe ordinary shares;
- compared certain financial and stock market information for GlobalSantaFe and Transocean with similar information for certain other companies the securities of which are publicly traded;
- reviewed the financial terms of certain recent business combinations in the oilfield services industry specifically and in other industries generally; and
- performed such other studies and analyses, and considered such other factors, as Goldman Sachs considered appropriate.

Goldman Sachs relied upon and assumed, without assuming any responsibility for independent verification, the accuracy and completeness of all of the financial, accounting, legal, tax and other information provided to, discussed with or reviewed by it. In that regard, Goldman Sachs assumed with Transocean's consent that the Forecasts, including the Synergies, had been reasonably prepared on a basis reflecting the best currently available estimates and judgments of the management of Transocean. In addition, Goldman Sachs did not make an independent evaluation or appraisal of the assets and liabilities (including any contingent, derivative or off-balance-sheet assets and liabilities) of Transocean or GlobalSantaFe or any of their respective subsidiaries and Goldman Sachs was not furnished with any such evaluation or appraisal. Goldman Sachs also assumed that all governmental, regulatory or other consents or approvals necessary for the consummation of the Merger will be obtained without any adverse effect on Transocean or GlobalSantaFe or on the expected benefits of the Merger in any way meaningful to its analysis. Goldman Sachs' opinion did not address any legal, regulatory, tax or accounting matters.

Goldman Sachs' opinion did not address the underlying business decision of Transocean to engage in the Transactions, or the relative merits of the Merger as compared to any strategic alternatives that may be available to Transocean, nor did Goldman Sachs express any opinion as to the Reclassification or the prices at which Transocean ordinary shares will trade at any time. Goldman Sachs' opinion was necessarily based on economic, monetary, market and other conditions as in effect on, and the information made available to it as of, the date of the opinion and Goldman Sachs assumed no responsibility for updating, revising or reaffirming its opinion based on circumstances, developments or events occurring after the date of the opinion.

The following is a summary of the material financial analyses delivered by Goldman Sachs to the board of directors of Transocean in connection with rendering the opinion described above. The following summary, however, does not purport to be a complete description of the financial analyses performed by Goldman Sachs, nor does the order of analyses described represent relative importance or weight given to those analyses by Goldman Sachs. Some of the summaries of the financial analyses include information presented in tabular format. The tables must be read together with the full text of each summary and are alone not a complete description of Goldman Sachs' financial analyses. Except as otherwise noted, the following quantitative information, to the extent that it is based on market data, is based on market data as it existed on or before July 20, 2007, and is not necessarily indicative of current market conditions.

Selected Companies Analysis. Goldman Sachs reviewed and compared certain financial information for Transocean and GlobalSantaFe to corresponding financial information, ratios and public market multiples for the following publicly traded corporations in the offshore drilling industry:

Diamond Offshore Drilling, Inc. ("DO")
Ensco International Incorporated ("ESV")
Noble Corporation ("NE")

Each of these companies is referred to as a "Selected Company."

Although none of the Selected Companies is directly comparable to Transocean or GlobalSantaFe, the companies included were chosen because they are publicly traded companies with operations that for purposes of analysis may be considered similar to certain operations of Transocean and GlobalSantaFe.

Goldman Sachs calculated and compared various financial multiples and ratios for the Selected Companies, Transocean and GlobalSantaFe based on information that it obtained from public filings and estimates from the Institutional Brokers Estimate System, or IBES, with respect to the Selected Companies, Transocean and GlobalSantaFe:

ratios of current enterprise value (computed by adding market capitalization as of July 20, 2007, and outstanding debt as of March 31, 2007, and subtracting cash and cash equivalents as of March 31, 2007) to estimated calendar year 2007 earnings before interest, taxes, depreciation and amortization (which Goldman Sachs calls EBITDA);

ratios of the July 20, 2007, closing share price (which Goldman Sachs calls current share price) to estimated calendar year 2007 cash flow per share;

ratios of current enterprise value to estimated calendar year 2008 EBITDA; and

ratios of current share price to estimated calendar year 2008 cash flow per share.

The following table presents the results of this analysis.

Implied Multiples

	Transocean	GlobalSantaFe	DO	NE	ESV	Median
Enterprise Value/EBITDA:						
2007 (estimated)	10.9x	7.8x	8.9x	7.9x	6.2x	7.9x
2008 (estimated)	8.0x	6.4x	5.7x	5.7x	5.3x	5.7x
Current Share Price/Cash Flow per Share:						
2007 (estimated)	11.6x	8.6x	11.5x	9.0x	7.6x	9.0x
2008 (estimated)	8.4x	6.7x	7.5x	6.5x	6.4x	6.7x

In addition, using estimates provided by Transocean for only Transocean and GlobalSantaFe, Goldman Sachs also calculated:

ratios of current enterprise value to estimated EBITDA for 2007, 2008 and 2009; and

ratios of current share price to estimated cash flow per share (computed by adding net income, depreciation and amortization and dividing by the average of the number of shares estimated to be outstanding at the beginning and end of year) for 2007, 2008 and 2009.

Goldman Sachs, using IBES estimates, also calculated Transocean and GlobalSantaFe ratios of current enterprise value to estimated EBITDA and current share price to estimated cash flow per share for 2007, 2008 and 2009.

The following table presents the results of this analysis with respect to Transocean and GlobalSantaFe:

Implied Multiples

	GlobalSantaFe		Transocean	
	IBES	Transocean Management Estimates	IBES	Transocean Management Estimates
Enterprise Value/EBITDA:				
2007 (estimated)	7.8x	8.3x	10.9x	11.5x
2008 (estimated)	6.4x	6.8x	8.0x	8.2x
2009 (estimated)	5.7x	7.0x	7.0x	7.1x
Current Share Price/Cash Flow per Share:				
2007 (estimated)	8.6x	9.5x	11.6x	12.7x
2008 (estimated)	6.7x	7.0x	8.4x	8.5x
2009 (estimated)	6.1x	6.3x	7.3x	6.7x

Historical Exchange Ratio Analysis. Goldman Sachs calculated the average historical exchange ratios of GlobalSantaFe ordinary shares to Transocean ordinary shares based on the closing prices of GlobalSantaFe ordinary shares and Transocean ordinary shares during the 5-trading day, 10-trading day, 30-trading day, 90-trading day, 2007 (through July 20, 2007), one-year, and three-year periods ended July 20, 2007, as well as the exchange ratio of the closing prices of GlobalSantaFe ordinary shares to Transocean ordinary shares on July 20, 2007. The following table presents the results of this analysis:

Time Period (up to July 20, 2007)	Implied Exchange Ratio of GlobalSantaFe ordinary shares to Transocean ordinary shares
Current	0.680x
5-day Average	0.674x
10-day Average	0.674x
30-day Average	0.683x
90-day Average	0.722x
2007 (through July 20, 2007) Average	0.729x
1-Year Average	0.725x
3-Year Average	0.756x

Contribution Analysis. Goldman Sachs performed a contribution analysis in which Goldman Sachs analyzed the relative estimated contributions to be made by Transocean and GlobalSantaFe to EBITDA, net income, and cash flow of the combined company following consummation of the Transactions, before taking into account any of the possible benefits that may be realized following the Transactions, utilizing three separate projections for each company prepared by management of

Transocean and referred to as the "Base Case," "Upside Case" and "Downside Case." The following table presents the results of this analysis:

Implied Exchange Ratios

	Base Case	Upside Case	Downside Case
EBITDA:			
2007 (estimated)	0.94x	0.94x	0.94x
2008 (estimated)	0.83x	0.84x	0.82x
2009 (estimated)	0.69x	0.74x	0.65x
Cash Flow:			
2007 (estimated)	0.92x	0.92x	0.92x
2008 (estimated)	0.80x	0.80x	0.79x
2009 (estimated)	0.67x	0.71x	0.63x
Net Income:			
2007 (estimated)	0.88x	0.88x	0.88x
2008 (estimated)	0.76x	0.77x	0.75x
2009 (estimated)	0.64x	0.68x	0.58x

Relative Discounted Cash Flow Analysis. Goldman Sachs performed an illustrative relative discounted cash flow analysis to determine the implied exchange ratio of GlobalSantaFe ordinary shares to Transocean ordinary shares, assuming each company continued to operate as a standalone company, using the Base Case, Upside Case and Downside Case estimates for Transocean and GlobalSantaFe prepared by Transocean's management.

In its analysis Goldman Sachs applied a range of discount rates ranging from 7% to 11% to the cash flows generated by Transocean's and GlobalSantaFe's assets over their estimated remaining lives. The illustrative discounted cash flow analysis as of December 31, 2007, did not give effect to the impact of any synergies as a result of the Merger. The following table presents the results of this analysis:

Implied Exchange Ratio

	Discount Rate				
	7.0%	8.0%	9.0%	10.0%	11.0%
Base Case	0.68x	0.69x	0.69x	0.70x	0.70x
Upside Case	0.69x	0.69x	0.70x	0.70x	0.71x
Downside Case	0.75x	0.75x	0.76x	0.77x	0.77x

Goldman Sachs also calculated implied exchange ratios of GlobalSantaFe ordinary shares to Transocean ordinary shares using present values of estimated cash flows for Transocean and GlobalSantaFe through the year 2011 and present values of an illustrative terminal value of Transocean and GlobalSantaFe at the end of year 2011, based on a range of multiples from 4.0x to 12.0x estimated 2012 EBITDA, and assuming a discount rate of 9%. The illustrative discounted cash flow analysis as of

December 31, 2007, did not give effect to the impact of any synergies as a result of the Merger. The following table presents the results of this analysis:

Implied Exchange Ratio

	Terminal Multiple of Forward EBITDA				
	4.0x	**6.0x**	**8.0x**	**10.0x**	**12.0x**
Base Case	0.64x	0.61x	0.58x	0.57x	0.55x
Upside Case	0.71x	0.69x	0.67x	0.66x	0.66x
Downside Case	0.77x	0.74x	0.72x	0.71x	0.69x

Goldman Sachs then calculated implied exchange ratios of GlobalSantaFe ordinary shares to Transocean ordinary shares using present values of estimated cash flows for Transocean and GlobalSantaFe through the year 2011 and the present value of an illustrative terminal value of Transocean and GlobalSantaFe at the end of year 2011, based on a range of multiples from 4.0x to 12.0x estimated normalized adjusted EBITDA, and a discount rate of 9%. Estimated normalized adjusted EBITDA is based on the operating assumptions for 2016 applied to the projected fleet operating during 2011. The illustrative discounted cash flow analysis as of December 31, 2007, did not give effect to the impact of any synergies as a result of the Merger. The following table presents the results of this analysis:

Implied Exchange Ratio

	Terminal Multiple of Normalized EBITDA				
	4.0x	**6.0x**	**8.0x**	**10.0x**	**12.0x**
Base Case	0.73x	0.71x	0.69x	0.68x	0.67x
Upside Case	0.73x	0.70x	0.68x	0.67x	0.66x
Downside Case	0.77x	0.75x	0.73x	0.71x	0.70x

Reclassification Consideration vs. Standalone Discounted Cash Flow Analysis. Based on the Base Case, the Upside Case and the Downside Case, Goldman Sachs performed an illustrative premium / (discount) analysis of the aggregate of (a) an illustrative discounted cash flow value as of December 31, 2007, of the Transocean ordinary shares (assuming consummation of the Transactions) and (b) cash being received by Transocean shareholders in the Reclassification (which aggregate we call the "Transocean reclassification consideration") in relation to an illustrative standalone discounted cash flow analysis for Transocean ordinary shares assuming there were no Transactions to determine an implied premium or discount to the holders of Transocean ordinary shares as a result of the Transactions.

Goldman Sachs calculated ratios of Transocean reclassification consideration to the standalone illustrative discounted cash flow analysis, as of December 31, 2007, based on discount rates ranging from 7% to 11% applied to the cash flows generated by Transocean's and GlobalSantaFe's assets over their estimated remaining lives. The following table presents the results of this analysis:

Premium/(Discount) to Standalone Discounted Cash Flows

	Discount Rate				
	7%	**8%**	**9%**	**10%**	**11%**
Base Case	4.6%	4.6%	4.6%	4.6%	4.6%
Upside Case	3.3%	3.4%	3.4%	3.5%	3.7%
Downside Case	10.3%	10.2%	10.1%	10.1%	10.1%

Goldman Sachs then calculated, for each of the Base Case, the Upside Case and the Downside case, ratios of the Transocean reclassification consideration to the standalone discounted cash flow analysis, as of December 31, 2007, using present values of estimated cash flows for Transocean and GlobalSantaFe through the year 2011 and present values of an illustrative terminal value of Transocean and GlobalSantaFe at the end of year 2011, based on a range of multiples from 4.0x to 12.0x estimated 2012 EBITDA, and a discount rate of 9%. The following table presents the results of this analysis:

Premium/(Discount) to Standalone Discounted Cash Flows

	Terminal Multiple of Forward EBITDA				
	4.0 x	**6.0 x**	**8.0 x**	**10.0 x**	**12.0 x**
Base Case	(0.4)%	(2.0)%	(3.2)%	(3.9)%	(4.5)%
Upside Case	2.6%	1.5%	0.8%	0.3%	(0.1)%
Downside Case	7.8%	6.8%	6.0%	5.4%	5.0%

Goldman Sachs then calculated for each of the Base Case, the Upside Case and the Downside case ratios of the Transocean reclassification consideration to the standalone discounted cash flow analysis, as of December 31, 2007, using present values of estimated cash flows for Transocean and GlobalSantaFe through the year 2011 and present values of an illustrative terminal value of Transocean and GlobalSantaFe at the end of year 2011, based on a range of multiples from 4.0x to 12.0x estimated normalized adjusted EBITDA, and a discount rate of 9%. Estimated normalized adjusted EBITDA is based on the operating assumptions for 2016 applied to the projected fleet operating during 2011. The following table presents the results of this analysis:

Premium/(Discount) to Standalone Discounted Cash Flows

	Terminal Multiple of Normalized EBITDA				
	4.0 x	**6.0 x**	**8.0 x**	**10.0 x**	**12.0 x**
Base Case	4.8%	3.9%	3.3%	2.8%	2.4%
Upside Case	4.3%	3.0%	2.1%	1.5%	1.0%
Downside Case	7.8%	6.9%	6.1%	5.6%	5.2%

Accretion/Dilution Analysis. Goldman Sachs analyzed the pro forma financial effects of the Transactions on Transocean's estimated earnings per share and cash flow per share using estimates for Transocean and GlobalSantaFe based on the views of Transocean's management and assuming the Transactions closed on December 31, 2007. For each of the Base Case, Upside Case and Downside Case, Goldman Sachs compared the projected earnings per share and cash flow per share of Transocean ordinary shares on a standalone basis for 2008 and 2009, assuming no Merger or Reclassification, to the projected earnings per share and cash flow per share of the combined company assuming completion of the Transactions. This analysis indicated that the Transactions would be accretive to Transocean's shareholders on an estimated earnings per share basis and on an estimated

cash flow per share basis for both years analyzed.(1) The following table summarizes the results of this analysis:

(1) Transocean notes that if standalone 2008 and 2009 estimated earnings per share are adjusted to reflect the reverse stock split in a similar fashion to how historical earnings per share will be adjusted for U.S. GAAP, then, although the Merger by itself is accretive, the Transactions in the aggregate would be dilutive to earnings and cash flow per share. For additional discussions of issues related to accretion and dilution, see " Accounting Treatment and Considerations" and " Accretion and Dilution Considerations."

	Base Case	Upside Case	Downside Case
Cash Flow Per Share Accretion/(Dilution):			
2008 (estimated)	28.3%	28.8%	27.8%
2009 (estimated)	16.7%	19.5%	13.4%
Earnings per Share Accretion/(Dilution):			
2008 (estimated)	17.2%	17.9%	16.6%
2009 (estimated)	5.6%	9.3%	1.1%

The preparation of a fairness opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. Selecting portions of the analyses or of the summary set forth above, without considering the analyses as a whole, could create an incomplete view of the processes underlying Goldman Sachs' opinion. In arriving at its fairness determination, Goldman Sachs considered the results of all of its analyses and did not attribute any particular weight to any factor or analysis considered by it. Rather, Goldman Sachs made its determination as to fairness on the basis of its experience and professional judgment after considering the results of all of its analyses. No company or transaction used in the above analyses as a comparison is directly comparable to Transocean or the Transactions.

Goldman Sachs prepared these analyses for purposes of Goldman Sachs' providing its opinion to Transocean's board of directors as to the fairness from a financial point of view to Transocean of the aggregate consideration to be received by the holders of outstanding GlobalSantaFe ordinary shares in connection with the Merger, after taking into account the Reclassification. These analyses do not purport to be appraisals nor do they necessarily reflect the prices at which businesses or securities actually may be sold. Analyses based upon forecasts of future results are not necessarily indicative of actual future results, which may be significantly more or less favorable than suggested by these analyses. Because these analyses are inherently subject to uncertainty, being based upon numerous factors or events beyond the control of the parties or their respective advisors, none of Transocean or Goldman Sachs or any other person assumes responsibility if future results are materially different from those forecast.

The Merger consideration to be received by GlobalSantaFe shareholders was determined through arms' length negotiations between Transocean and GlobalSantaFe and was approved by Transocean's board of directors. Goldman Sachs provided advice to Transocean during these negotiations. Goldman Sachs did not, however, recommend any specific amount of consideration to Transocean or its board of directors or that any specific amount of consideration constituted the only appropriate consideration for the Merger.

As described above, Goldman Sachs' opinion to Transocean's board of directors was one of many factors taken into consideration by Transocean's board of directors in making its determination to approve the merger agreement. The foregoing summary does not purport to be a complete description of the analyses performed by Goldman Sachs in connection with the fairness opinion and is qualified in its entirety by reference to the written opinion of Goldman Sachs attached as Annex B.

Goldman Sachs and its affiliates, as part of their investment banking business, are continually engaged in performing financial analyses with respect to businesses and their securities in connection with mergers and acquisitions, negotiated underwritings, competitive biddings, secondary distributions of listed and unlisted securities, private placements and other transactions as well as for estate, corporate and other purposes. Goldman Sachs Credit Partners L.P. ("GSCP"), an affiliate of Goldman Sachs, has committed to provide $10 billion in bridge financing to Transocean in connection with the Merger, for which GSCP will receive customary fees. GSCP has also been retained by Transocean and GlobalSantaFe to act as joint lead arranger, joint bookrunner and administrative agent in respect of the bridge financing, for which GSCP will receive customary fees. Transocean and GlobalSantaFe intend to retain an affiliate of Goldman Sachs to act as joint underwriter, initial purchaser, joint bookrunner and/or joint placement agent for any underwritten public offering or private placement of debt securities issued by Transocean or GlobalSantaFe, in connection with the Transactions, including in connection with any refinancing of the bridge financing, for which such affiliate of Goldman Sachs would receive customary fees.

In addition, Goldman Sachs has provided and is currently providing certain investment banking and other financial services to Transocean and its affiliates, including having acted in the following transactions: (1) as co-manager of a public offering of 17,940,000 shares of Class A Common Stock of TODCO, a former affiliate of Transocean, in September 2004, (2) as co-manager of a public offering of 14,950,000 shares of Class A Common Stock of TODCO in December 2004, (3) as dealer manager in connection with a tender offer for Transocean's 8% debentures due 2027 (aggregate principal amount $143,000,000) in December 2004, (4) as a participant in a revolving credit facility extended to Transocean (aggregate principal amount $1,000,000,000) in July 2005, (5) as agent in connection with repurchases by Transocean of Transocean ordinary shares in December 2005 and from time to time, and (6) as lead manager of a public offering of Transocean's floating rate notes due September 2008 (aggregate principal amount $1,000,000,000) in September 2006. Goldman Sachs has provided certain investment banking and other financial services to GlobalSantaFe and its affiliates from time to time, including having acted (A) as bookrunner of a public offering of 23,500,000 GlobalSantaFe ordinary shares in April 2005 and (B) as participant in a revolving credit facility extended to GlobalSantaFe (aggregate principal amount $500,000,000) in August 2006. Goldman Sachs also may provide investment banking and other financial services to Transocean, GlobalSantaFe and their respective affiliates in the future. In connection with the above-described services Goldman Sachs has received, and may receive, compensation.

Goldman Sachs is a full service securities firm engaged, either directly or through its affiliates, in securities trading, investment management, financial planning and benefits counseling, risk management, hedging, financing and brokerage activities for both companies and individuals. In the ordinary course of these activities, Goldman Sachs and its affiliates may provide such services to Transocean, GlobalSantaFe and their respective affiliates, may actively trade the debt and equity securities (or related derivative securities) of Transocean and GlobalSantaFe for their own account and for the accounts of their customers and may at any time hold long and short positions of such securities.

The board of directors of Transocean selected Goldman Sachs as its financial advisor because it is an internationally recognized investment banking firm that has substantial experience in transactions similar to the Merger. Pursuant to a letter agreement dated December 6, 2006, Transocean engaged Goldman Sachs to act as its financial advisor in connection with the Merger. Pursuant to the terms of this engagement letter, Transocean has agreed to pay Goldman Sachs a transaction fee of approximately $28 million, all of which is contingent upon consummation of the Merger. In addition, Transocean has agreed to reimburse Goldman Sachs for its expenses, including attorneys' fees and disbursements, and to indemnify Goldman Sachs and related persons against various liabilities, including certain liabilities under the federal securities laws.

Opinion of Lehman Brothers Inc.

GlobalSantaFe engaged Lehman Brothers to act as its financial advisor in connection with the proposed Merger. On July 21, 2007, Lehman Brothers rendered its oral opinion to the board of directors of GlobalSantaFe, which was subsequently confirmed in writing, that, as of that same date and based upon and subject to certain matters and qualifications stated in the opinion letter, from a financial point of view, the consideration to be offered to GlobalSantaFe's shareholders in the Merger is fair to such shareholders.

The full text of Lehman Brothers' written opinion dated July 21, 2007, is attached as Annex C to this joint proxy statement. Shareholders are encouraged to read Lehman Brothers' opinion carefully in its entirety for a description of the assumptions made, procedures followed, factors considered and limitations upon the review undertaken by Lehman Brothers in rendering its opinion. The following is a summary of Lehman Brothers' opinion and the methodology that Lehman Brothers used to render its opinion. This summary is qualified in its entirety by reference to the full text of the opinion.

Lehman Brothers' advisory services and opinion were provided for the information and assistance of the board of directors of GlobalSantaFe in connection with its consideration of the Merger. Lehman Brothers' opinion is not intended to be and does not constitute a recommendation to any shareholder of GlobalSantaFe as to how such shareholder should vote in connection with the Merger. Lehman Brothers was not requested to opine as to, and Lehman Brothers' opinion does not address, GlobalSantaFe's underlying business decision to proceed with or effect the Merger.

In arriving at its opinion, Lehman Brothers reviewed and analyzed, among other things:

- the merger agreement and the specific terms of the Merger;
- publicly available information concerning GlobalSantaFe and Transocean that Lehman Brothers believed to be relevant to its analysis, including certain periodic reports filed by GlobalSantaFe and Transocean, including their most recent Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q;
- financial and operating information with respect to the business, operations and prospects of GlobalSantaFe furnished to Lehman Brothers by GlobalSantaFe, including financial projections prepared by the management of GlobalSantaFe;
- financial and operating information with respect to the business, operations and prospects of Transocean furnished to Lehman Brothers by GlobalSantaFe, including financial projections prepared by the management of GlobalSantaFe;
- trading histories of GlobalSantaFe ordinary shares and of Transocean ordinary shares from July 20, 2004, through July 20, 2007, and a comparison of each of their trading histories with each other and with those of other companies and indices that Lehman Brothers deemed relevant;
- a comparison of the historical financial results and present financial condition of GlobalSantaFe and Transocean with each other and with those of other companies that Lehman Brothers deemed relevant;
- the potential pro forma impact of the Merger on the current and future financial performance of the combined company, including the amounts and timing of the cost savings and operating synergies expected to result from the proposed Merger;
- published estimates by independent equity research analysts with respect to the future financial performance of GlobalSantaFe and Transocean; and

the relative contributions of GlobalSantaFe and Transocean to the current and future financial performance of the combined company on a pro forma basis.

In addition, Lehman Brothers had discussions with the management of GlobalSantaFe and Transocean concerning their respective businesses, operations, assets, financial conditions and prospects and undertook such other studies, analyses and investigations as Lehman Brothers deemed appropriate.

In arriving at its opinion, Lehman Brothers assumed and relied upon the accuracy and completeness of the financial and other information used by Lehman Brothers without assuming any responsibility for independent verification of such information. Lehman Brothers further relied upon the assurances of the managements of GlobalSantaFe and Transocean that they were not aware of any facts or circumstances that would make such information inaccurate or misleading. With respect to the financial projections of GlobalSantaFe, upon advice of GlobalSantaFe, Lehman Brothers assumed that such financial projections were reasonably prepared on a basis reflecting the best currently available estimates and judgments of the management of GlobalSantaFe as to the future financial performance of GlobalSantaFe and that GlobalSantaFe will perform substantially in accordance to such projections. With respect to the financial projections of Transocean, upon advice of GlobalSantaFe, Lehman Brothers assumed that such financial projections were reasonably prepared on a basis reflecting the best currently available estimates and judgments of the management of GlobalSantaFe as to the future financial performance of Transocean and that Transocean will perform substantially in accordance to such projections. With respect to the expected synergies estimated by the management of GlobalSantaFe to result from a combination of the businesses of GlobalSantaFe and Transocean, upon advice of GlobalSantaFe, Lehman Brothers assumed that such expected synergies will be achieved substantially in accordance with such estimates. In arriving at its opinion, Lehman Brothers did not conduct or obtain any evaluations or appraisals of the assets or liabilities of GlobalSantaFe or Transocean, nor did it conduct a physical inspection of the properties and facilities of GlobalSantaFe and Transocean. Lehman Brothers' opinion was necessarily based upon market, economic and other conditions as they existed on, and could be evaluated as of, July 21, 2007.

The following is a summary of the material financial analyses used by Lehman Brothers in connection with providing its opinion to the board of directors of GlobalSantaFe. **The financial analyses summarized below include information presented in tabular format. In order to fully understand the financial analyses used by Lehman Brothers, the tables must be read together with the text of each summary. Considering any portion of such analyses and of the factors considered, without considering all analyses and factors, could create a misleading or incomplete view of the process underlying Lehman Brothers' opinion.**

Summary of Relative Valuation Analysis

Valuation Methodology	Summary Description of Valuation Methodology	Implied Exchange Ratio
Comparable Company Analysis	Market valuation benchmark based on trading multiples of selected comparable companies for selected financial and asset-based measures	0.865 - 0.867
Discounted Cash Flow Analysis	Net present valuation of management projections of after-tax cash flows assuming selected discount rates and perpetuity growth rates	
	Case I	0.548 - 0.588
	Case II	0.532 - 0.582
	Case III	0.574 - 0.606
Research Price Target Analysis	Market valuation based on equity research analysts' current price targets	0.627 - 0.684
Research Net Asset Values ("NAV") per Share Analysis	Market valuation based on equity research analysts' Net Asset Value per Share calculation	0.803
Implied Exchange Ratio based on Nominal Merger Consideration to be Paid by Transocean in the Merger		0.680

Transaction Terms

At the effective time of the Reclassification, Transocean shareholders will receive $33.03 in cash and 0.6996 ordinary shares of Transocean for each share of Transocean they own. Immediately thereafter, at the effective time of the Merger, GlobalSantaFe shareholders will receive $22.46 in cash and 0.4757 ordinary shares of Transocean for each share of GlobalSantaFe they own. The implied exchange ratio in the Merger based upon the relative consideration to GlobalSantaFe and Transocean shareholders is 0.680 Transocean ordinary shares per GlobalSantaFe ordinary share.

Historical Share Price Analysis

Lehman Brothers considered historical data with regard to the trading prices of GlobalSantaFe and Transocean ordinary shares for the period from July 20, 2004, to July 20, 2007, and the relative share price performances during this same period of GlobalSantaFe and Transocean, and the Oilfield Service Index, or the OSX. During this period the closing share price of GlobalSantaFe ranged from a low of $24.53 to a high of $75.85 per share, and the closing share price of Transocean ranged from a low of $25.94 to a high of $111.30 per share. Lehman Brothers noted outperformance or underperformance of GlobalSantaFe ordinary shares in the period reviewed relative to Transocean ordinary shares and the OSX. The foregoing historical share price analysis was presented to the board of directors of GlobalSantaFe to provide it with background information and perspective with respect to the relative historical share prices of GlobalSantaFe and Transocean ordinary shares.

Historical Exchange Ratio Analysis

Lehman Brothers also compared the historical per share prices of GlobalSantaFe and Transocean during different periods during the one year period prior to July 20, 2007, in order to determine the implied average exchange ratio that existed for those periods. The following table indicates the average

exchange ratio of GlobalSantaFe ordinary shares for Transocean ordinary shares for the periods indicated:

	Average Exchange Ratio
July 20, 2007	0.680x
5 trading day period	0.674x
10 trading day period	0.674x
15 trading day period	0.677x
20 trading day period	0.678x
30 trading day period	0.683x
40 trading day period	0.688x
60 trading day period	0.699x
One-Year Average	0.725x
52-Week High	0.679x

Comparable Company Analysis

In order to assess how the public market values shares of similar publicly traded companies, Lehman Brothers, based on its experience with companies in the offshore contract drilling industry, reviewed and compared specific financial and operating data relating to GlobalSantaFe and Transocean with selected companies that Lehman Brothers deemed comparable to GlobalSantaFe and Transocean, including:

Atwood Oceanics, Inc.

Diamond Offshore Drilling, Inc.

ENSCO International, Incorporated

Hercules Offshore, Inc.

Noble Corporation

Pride International, Inc.

Rowan Companies, Inc.

Using publicly available information, Lehman Brothers calculated and analyzed equity and capitalization multiples of certain projected financial criteria (such as cash flow from operations, referred to as CFPS, earnings before interest, taxes, depreciation and amortization, referred to as EBITDA, and earnings per share, referred to as EPS). The adjusted capitalization of each company was obtained by adding its outstanding debt to the sum of the market value of its common equity, the value of its preferred stock (the market value if such shares are publicly traded and the liquidation value if such shares are not publicly traded) and the book value of any minority interest minus its cash balance.

For GlobalSantaFe, the comparable companies methodology yielded a per share equity value range of $65.00 to $80.00. For Transocean, the comparable companies methodology yielded a per share equity value range of $75.00 to $92.50. The implied exchange ratio based upon these valuation ranges is 0.865 to 0.867 shares of Transocean per GlobalSantaFe share.

Because of the inherent differences between the corporate structure, businesses, operations and prospects of GlobalSantaFe and Transocean and the corporate structure, businesses, operations and prospects of the companies included in the comparable company groups, Lehman Brothers believed that it was inappropriate to, and therefore did not, rely solely on the quantitative results of the analysis and, accordingly, also made qualitative judgments concerning differences between the financial and

operating characteristics of GlobalSantaFe and Transocean and companies in the comparable company groups that would affect the public trading values of GlobalSantaFe and Transocean and such comparable companies.

Discounted Cash Flow Analysis

As part of Lehman Brothers' analysis, and in order to estimate the present value of GlobalSantaFe and Transocean ordinary shares, it prepared a discounted cash flow analysis for GlobalSantaFe and Transocean, calculated as of January 1, 2008, of after-tax unlevered free cash flows for fiscal years 2008 through 2016. Lehman Brothers ran three discounted cash flow cases including: Case I, Case II and Case III. The projections for each case were prepared by the management of GlobalSantaFe.

A discounted cash flow analysis is a traditional valuation methodology used to derive a valuation of an asset by calculating the "present value" of estimated future cash flows of the asset. Present value refers to the current value of future cash flows or amounts and is obtained by discounting those future cash flows or amounts by a discount rate that takes into account macro-economic assumptions and estimates of risk, the opportunity cost of capital, expected returns and other appropriate factors. Lehman Brothers performed a discounted cash flow analysis for GlobalSantaFe by adding (1) the present value of GlobalSantaFe's projected after-tax unlevered free cash flows for fiscal years 2008 through 2016 to (2) the present value of the "terminal value" of GlobalSantaFe as of 2016. Terminal value refers to the value of all future cash flows from an asset at a particular point in time.

With respect to the GlobalSantaFe and Transocean discounted cash flow analyses, Lehman Brothers discounted the unlevered free cash flow streams and the estimated terminal value to a present value at a range of discount rates from 9.0% to 12.0%. The discount rates utilized in this analysis were chosen by Lehman Brothers based on its expertise and experience with the offshore contract drilling industry and also on an analysis of the weighted average cost of capital of GlobalSantaFe, Transocean and other comparable companies. Lehman Brothers estimated terminal values in 2016 calculated based on a perpetuity growth model using discount rates from 9.0% to 12.0% and a growth rate of 3.0%. Lehman Brothers calculated per share equity values by first determining a range of enterprise values of GlobalSantaFe and Transocean by adding the present values of the after-tax unlevered free cash flows and terminal values for each discount rate scenario, and then subtracting from the enterprise values the net debt (which is total debt minus cash) of GlobalSantaFe and Transocean, and dividing those amounts by the number of fully diluted shares of GlobalSantaFe and Transocean.

The discounted cash flow methodology yielded valuations for GlobalSantaFe that imply a per share equity value range of $47.00 to $63.00 in Case I, $32.00 to $42.00 in Case II and $94.00 to $132.00 in Case III. The discounted cash flow methodology yielded valuations for Transocean that imply a per share equity value range of $80.00 to $115.00 in Case I, $55.00 to $79.00 in Case II and $155.00 to $230.00 in Case III. The implied exchange ratios based upon these valuation ranges are 0.548 to 0.588 in Case I, 0.532 to 0.582 in Case II and 0.574 to 0.606 in Case III.

Contribution Analysis

Lehman Brothers analyzed the respective contributions of GlobalSantaFe and Transocean to the estimated calendar years 2008 and 2009 revenues and EBITDA, and 2008 net income and cash flow from operations of the combined company based on the Case I projections for revenue and EBITDA and First Call/I/B/E/S consensus estimates for net income and cash flow from operations. Lehman Brothers also analyzed the respective contributions of GlobalSantaFe and Transocean to the total contracted revenue and EBITDA backlog of the combined company. This analysis indicated the

following relative contributions of GlobalSantaFe and Transocean and the pro forma equity ownership of holders of GlobalSantaFe and Transocean ordinary shares in the combined company:

Metric	2008E Contribution	2009E Contribution
Revenues:		
GlobalSantaFe	41%	37%
Transocean	59%	63%
EBITDA:		
GlobalSantaFe	36%	30%
Transocean	64%	70%
Net Income:		
GlobalSantaFe	38%	
Transocean	62%	
Cash Flow from Operations:		
GlobalSantaFe	39%	
Transocean	61%	
Revenue Backlog:		
GlobalSantaFe	32%	
Transocean	68%	
EBITDA Backlog:		
GlobalSantaFe	31%	
Transocean	69%	
Pro Forma Equity Ownership:		
GlobalSantaFe	34%	
Transocean	66%	

Pro Forma Analysis

Lehman Brothers analyzed the pro forma impact of the Merger on the combined company's projected CFPS and earnings, excluding any purchase accounting adjustments. In the pro forma merger consequences, Lehman Brothers prepared a pro forma merger model which incorporated First Call/I/B/E/S consensus estimates for 2008 and 2009 as well as the expected synergies to result from the Merger. Lehman Brothers then compared the CFPS and earnings of GlobalSantaFe and Transocean on a standalone basis to the CFPS and earnings in the pro forma combined company. Lehman Brothers noted that the Merger is accretive to the combined company's pro forma CFPS and earnings in 2008 and 2009 based on First Call/I/B/E/S estimates.(2)

(2) GlobalSantaFe notes that if standalone 2008 and 2009 estimated earnings per share are adjusted to reflect the reverse stock split in a similar fashion to how historical earnings per share will be adjusted for U.S. GAAP, then, although the Merger by itself is accretive, the Transactions in the aggregate would be dilutive to earnings and cash flow per share. For additional discussions of issues related to accretion and dilution, see " Accounting Treatment and Considerations" and " Accretion and Dilution Considerations."

Research Analyst Target Analysis

Lehman Brothers took into consideration price targets from the Wall Street equity research analysts that cover GlobalSantaFe and Transocean. As of July 20, 2007, GlobalSantaFe had 22 analysts that covered the company. For GlobalSantaFe, 16 analysts had a "Buy" rating, three analysts had a "Hold" rating, two analysts had a "Sell" rating and one analyst did not have a rating. The median

target price for GlobalSantaFe was $76.00. The price targets for GlobalSantaFe ranged from $52.00 per share to $89.00 per share. As of July 20, 2007, Transocean had 22 analysts that covered the company. For Transocean, 15 analysts had a "Buy" rating, six analysts had a "Hold" rating and one analyst had a "Sell" rating. The median target price for Transocean was $108.00. The price targets for Transocean ranged from $76.00 per share to $142.00 per share. The implied exchange ratio based upon the price targets for GlobalSantaFe and Transocean is 0.627 to 0.684 shares of Transocean per GlobalSantaFe share.

Research Analyst Net Asset Values ("NAV") per Share

Lehman Brothers also took into consideration the NAV per share from third party research. As of July 20, 2007, the median NAV for GlobalSantaFe and Transocean was $53.00 and $66.00, respectively. The implied exchange ratio based upon the NAV estimates is 0.803 shares of Transocean per GlobalSantaFe share.

General

In connection with the review of the Merger by the board of directors of GlobalSantaFe, Lehman Brothers performed a variety of financial and comparative analyses for purposes of rendering its opinion. The preparation of a fairness opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. In arriving at its opinion, Lehman Brothers considered the results of all of its analyses as a whole and did not attribute any particular weight to any analysis or factor considered by it. Furthermore, Lehman Brothers believes that the summary provided and the analyses described above must be considered as a whole and that selecting any portion of its analyses, without considering all of them, would create an incomplete view of the process underlying its analyses and opinion. In addition, Lehman Brothers may have given various analyses and factors more or less weight than other analyses and factors and may have deemed various assumptions more or less probable than other assumptions, so that the ranges of valuations resulting from any particular analysis described above should not be taken to be Lehman Brothers' view of the actual value of GlobalSantaFe or Transocean.

In performing its analyses, Lehman Brothers made numerous assumptions with respect to industry risks associated with industry performance, general business and economic conditions and other matters, many of which are beyond the control of GlobalSantaFe or Transocean. Any estimates contained in Lehman Brothers' analyses are not necessarily indicative of future results or actual values, which may be significantly more or less favorable than those suggested by such estimates. The analyses do not purport to be appraisals or to reflect the prices at which GlobalSantaFe ordinary shares or Transocean ordinary shares might trade following announcement of the Merger or the prices at which Transocean ordinary shares might trade following consummation of the Merger.

The terms of the Merger were determined through arm's length negotiations between GlobalSantaFe and Transocean and were unanimously approved by the boards of directors of GlobalSantaFe and Transocean. Lehman Brothers did not recommend any specific exchange ratio or form of consideration to GlobalSantaFe or that any specific exchange ratio or form of consideration constituted the only appropriate consideration for the Merger. Lehman Brothers' opinion was provided to the board of directors of GlobalSantaFe to assist it in its consideration of the exchange ratio in the Merger. Lehman Brothers' opinion does not address any other aspect of the proposed Merger and does not constitute a recommendation to any shareholder as to how to vote or to take any other action with respect to the Merger. Lehman Brothers' opinion was one of the many factors taken into consideration by the board of directors of GlobalSantaFe in making its unanimous determination to approve the merger agreement. Lehman Brothers' analyses summarized above should not be viewed as determinative of the opinion of the board of directors of GlobalSantaFe with respect to the value of

GlobalSantaFe or Transocean or of whether the board of directors of GlobalSantaFe would have been willing to agree to a different exchange ratio or form of consideration.

Lehman Brothers is an internationally recognized investment banking firm and, as part of its investment banking activities, is regularly engaged in the valuation of businesses and their securities in connection with mergers and acquisitions, negotiated underwritings, competitive bids, secondary distributions of listed and unlisted securities, private placements and valuations for corporate and other purposes. The board of directors of GlobalSantaFe selected Lehman Brothers because of its expertise, reputation and familiarity with GlobalSantaFe and the offshore contract drilling industry generally and because its investment banking professionals have substantial experience in transactions comparable to the Merger.

In the ordinary course of its business, Lehman Brothers may actively trade in the debt or equity securities of GlobalSantaFe and Transocean for its own account and for the accounts of its customers and, accordingly, may at any time hold a long or short position in such securities.

As compensation for its services in connection with the Merger, GlobalSantaFe paid Lehman Brothers a fee of $3 million for its opinion and an additional $1.5 million fee upon execution of the merger agreement. GlobalSantaFe has also agreed to pay Lehman Brothers a fee of $25.5 million upon the closing of the Merger. In addition, GlobalSantaFe has agreed to reimburse Lehman Brothers for its reasonable out-of-pocket expenses incurred in connection with its engagement, and to indemnify Lehman Brothers and certain related persons against certain liabilities in connection with its engagement. Lehman Brothers in the past has rendered investment banking services to GlobalSantaFe, and its affiliates and received customary fees for such services and Lehman Brothers expects to perform various investment banking services for Transocean in the future for which Lehman Brothers expects to receive customary fees. In addition, at the request of GlobalSantaFe, Lehman Brothers has provided a commitment for a portion of the financing necessary to finance the Merger and will receive customary fees in connection therewith.

Opinion of Simmons & Company International

GlobalSantaFe retained Simmons & Company to provide a fairness opinion to the board of directors of GlobalSantaFe in connection with the Merger. GlobalSantaFe selected Simmons & Company based upon Simmons & Company's qualifications, reputation and experience in connection with mergers and acquisitions. GlobalSantaFe instructed Simmons & Company to evaluate the fairness, from a financial point of view, of the merger consideration to be received by GlobalSantaFe's shareholders in the Merger.

On July 21, 2007, Simmons & Company delivered its written opinion to the board of directors of GlobalSantaFe to the effect that, as of that date and based upon and subject to factors and assumptions set forth in its opinion, the merger consideration to be received by GlobalSantaFe's shareholders was fair to GlobalSantaFe's shareholders from a financial point of view. The opinion speaks only as of the date it was delivered and not as of the time the Merger will be completed. The opinion does not reflect changes that may occur or may have occurred after July 21, 2007, which could significantly alter the value of GlobalSantaFe or Transocean or the respective trading prices of their ordinary shares, which are factors on which Simmons & Company's opinion was based.

The full text of the Simmons & Company fairness opinion dated July 21, 2007, which sets forth the assumptions made, matters considered and qualifications and limitations on the review undertaken, is attached as Annex D to this joint proxy statement and is incorporated into this joint proxy statement by reference. The summary of the Simmons & Company fairness opinion set forth in this joint proxy statement does not describe all aspects of Simmons & Company's opinion and it is qualified in its entirety by reference to the full text of the Simmons & Company fairness opinion. GlobalSantaFe shareholders should read the Simmons & Company fairness opinion carefully and in

its entirety. In arriving at its opinion, Simmons & Company did not ascribe a specific value to GlobalSantaFe, but rather made its determination as to the fairness, from a financial point of view, of the merger consideration to be received by GlobalSantaFe's shareholders in the transaction on the basis of the financial and comparative analyses described below. Simmons & Company's opinion is for the use and benefit of the board of directors of GlobalSantaFe and was rendered to the board of directors in connection with its consideration of the Merger. The opinion does not address the merits of the underlying decision of GlobalSantaFe to engage in the transaction contemplated by the merger agreement. GlobalSantaFe's shareholders should not view Simmons & Company's opinion as providing any assurance that the market value of merger consideration to be received in the Merger will be in excess of the market value of GlobalSantaFe ordinary shares owned by such shareholders at any time before the announcement or completion of the Merger. Moreover, it does not constitute a recommendation by Simmons & Company to any GlobalSantaFe shareholder as to how such shareholder should vote or make any election with respect to the Merger.

In reaching its opinion, Simmons & Company reviewed and analyzed, among other things, the following:

- the draft dated July 18, 2007, of the Merger Agreement and other ancillary transaction agreements;
- the financial statements and other information concerning GlobalSantaFe, including GlobalSantaFe's annual reports to shareholders and Annual Reports on Form 10-K for each of the years in the three-year period ended December 31, 2006, certain interim reports to shareholders and Quarterly Reports on Form 10-Q of GlobalSantaFe, certain other communications from GlobalSantaFe to its shareholders, and GlobalSantaFe's most recent proxy statement;
- the financial statements and other information concerning Transocean, including Transocean's annual reports to shareholders and Annual Reports on Form 10-K for each of the years in the three-year period ended December 31, 2006, certain interim reports to shareholders and Quarterly Reports on Form 10-Q of Transocean, certain other communications from Transocean to its shareholders, and Transocean's most recent proxy statement;
- certain business and financial analysis and information relating to GlobalSantaFe and Transocean, including certain internal financial forecasts prepared by the management of GlobalSantaFe and which were provided to Simmons & Company by GlobalSantaFe;
- certain publicly available information concerning the trading of, and the trading market for, GlobalSantaFe's and Transocean's ordinary shares;
- certain publicly available information with respect to certain other companies Simmons & Company believed to be comparable to GlobalSantaFe or Transocean and the trading markets for certain of such companies' securities;
- certain publicly available information concerning the estimates of the future operating and financial performance of GlobalSantaFe, Transocean and the comparable companies prepared by industry experts unaffiliated with either GlobalSantaFe or Transocean; and
- certain publicly available information concerning the nature and terms of certain other transactions that Simmons & Company considered relevant to its analysis.

Simmons & Company also considered such other information, financial studies, analysis and investigations and financial, economic and market criteria which Simmons & Company deemed relevant. Simmons & Company also met with officers and employees of GlobalSantaFe and Transocean to discuss the foregoing, as well as other matters believed relevant to Simmons & Company's analysis.

Simmons & Company did not independently verify any of the foregoing information and has relied on it being complete and accurate in all material respects. With respect to financial forecasts, Simmons & Company utilized certain information set forth in those forecasts and assumed such information was reasonably prepared on bases reflecting the best estimates and judgments, as available at the time of preparation, of management of GlobalSantaFe on the future financial performance of GlobalSantaFe and Transocean. Simmons & Company did not conduct a physical inspection of any of the assets, operations or facilities of GlobalSantaFe or Transocean and did not make or receive any independent evaluation or appraisal of any assets or liabilities, contingent or otherwise, of GlobalSantaFe or Transocean. Simmons & Company did not perform any tax or regulatory analysis nor was Simmons & Company furnished with any such analysis. Accordingly, Simmons & Company did not evaluate (and Simmons & Company's opinion does not include) any potential tax or regulatory consequences related to the Merger including, without limitation, any potential tax or regulatory consequences to GlobalSantaFe, Transocean or their respective shareholders. In addition, Simmons & Company was not authorized to solicit, and did not solicit, any indications of interest from any third party with respect to the purchase of all or part of GlobalSantaFe's business.

In preparing its fairness opinion for the board of directors of GlobalSantaFe, Simmons & Company performed a variety of financial and comparative analyses, including those described below. The summary of the analyses performed by Simmons & Company, as set forth below, does not purport to be a complete description of the analyses underlying the opinion. The preparation of a fairness opinion is a complex analytical process involving various determinations as to the most appropriate and relevant methods of financial analysis and the application of those methods to the particular circumstances and, therefore, fairness opinions are not readily susceptible to partial or summary description. No company or transaction used in such analyses as a comparison is identical to GlobalSantaFe, Transocean or the transaction contemplated by the merger agreement, nor is an evaluation of the results of such analyses entirely mathematical; rather, it involves complex considerations and judgments concerning financial and operational characteristics and other factors that could affect the public trading or other values of the companies or transactions being analyzed. The estimates contained in such analyses and the ranges of valuations resulting from any particular analysis are not necessarily indicative of actual values or predictive of future results or values, which may be significantly more or less favorable than those suggested by such analyses. In addition, analyses relating to the value of the business or securities do not purport to be appraisals or to reflect the prices at which businesses, companies or securities actually may be sold. Accordingly, such analyses and estimates are subject inherently to substantial uncertainty.

In arriving at the fairness opinion, Simmons & Company made qualitative judgments as to the significance and relevance of each analysis as well as other data considered by Simmons & Company. Accordingly, Simmons & Company believes that its analyses must be considered as a whole and that selecting portions of its analyses and factors, without considering all analyses and factors, could create an incomplete view of the processes underlying such analyses and the fairness opinion. In its analyses, Simmons & Company made numerous assumptions with respect to general business, economic, market and financial conditions, as well as other matters, many of which are beyond the control of GlobalSantaFe and Transocean and involve the application of complex methodologies and experienced and educated judgment.

The analyses were prepared solely as part of Simmons & Company's analysis of the fairness, from a financial point of view, to GlobalSantaFe shareholders of the merger consideration to be received in the proposed Merger.

Simmons & Company's opinion and financial analyses were only one of the many factors considered by management of GlobalSantaFe and the board of directors of GlobalSantaFe in their evaluation of the Merger and should not be viewed as determinative of the views of management of

GlobalSantaFe or the board of directors of GlobalSantaFe with respect to the Merger and the merger consideration.

The data and analysis summarized herein is from Simmons & Company's presentation to the board of directors of GlobalSantaFe delivered on July 21, 2007, which primarily utilized data from market closing prices as of July 20, 2007. For purposes of its analysis, Simmons & Company defined EBITDA as net income plus income taxes, interest expense (less interest income), depreciation and amortization. Cash flow represents net income plus depreciation and amortization.

Introduction

In the Merger, GlobalSantaFe's shareholders will receive 0.4757 ordinary shares of Transocean and $22.46 for each ordinary share of GlobalSantaFe. Immediately prior to the Merger, each outstanding ordinary share of Transocean will be reclassified by way of a scheme of arrangement under Cayman Islands law into 0.6996 ordinary shares of Transocean and $33.03. These figures represent the outcome of a negotiated share exchange ratio of 0.680x (the number of GlobalSantaFe ordinary shares per Transocean ordinary share) and a distribution of $15.0 billion to the shareholders of Transocean and GlobalSantaFe. Based on this share exchange ratio, ordinary shares currently owned by GlobalSantaFe's shareholders would comprise approximately 34% of the ordinary shares of the combined company.

In determining its opinion, Simmons & Company focused on the relative valuations of GlobalSantaFe and Transocean to assess whether a 0.680x share exchange ratio was fair to GlobalSantaFe's shareholders from a financial point of view. Simmons & Company also considered whether the distribution of $15.0 billion to the shareholders of Transocean and GlobalSantaFe was fair to GlobalSantaFe's shareholders from a financial point of view.

Discounted Cash Flow Analysis

Simmons & Company performed a discounted cash flow analysis of GlobalSantaFe and Transocean using financial forecasts through 2016 as provided by GlobalSantaFe. A total of three cases were analyzed with each case reflecting different levels of industry performance and financial performance by rig type. Terminal values in 2016 were based on 7.0x and 9.0x EBITDA. Discount rates of 9% to 13% were used to discount annual free cash flows and terminal values to derive an assessment of the enterprise value of GlobalSantaFe and Transocean. Simmons & Company then converted implied enterprise values to implied share prices for each company based on their respective capital structure and shares outstanding. Finally, share prices were converted to implied share exchange ratios. The share exchange ratios suggested by the discounted cash flow analysis were in the range of 0.618x to 0.690x.

Relative Contribution Analysis

Simmons & Company analyzed implied share exchange ratios based on each company's relative contributions of EBITDA and EBITDA less maintenance capital expenditures as provided by GlobalSantaFe's management. Relative contribution analysis was done for each of the three cases utilized in the discounted cash flow analysis and each of the projected years ending December 31, 2007 through December 31, 2012. The results of this analysis are summarized as follows:

	Implied Share Exchange Ratio
EBITDA	
2007	0.925x - 0.928x
2008	0.774x - 0.802x
2009	0.534x - 0.747x
2010	0.461x - 0.678x
2011	0.422x - 0.626x
2012	0.354x - 0.602x
EBITDA less Maintenance Capital Expenditures	
2007	0.946x - 0.949x
2008	0.773x - 0.804x
2009	0.508x - 0.743x
2010	0.405x - 0.669x
2011	0.332x - 0.613x
2012	0.244x - 0.588x

Simmons & Company also reviewed implied share exchange ratios based on each company's relative contributions based on third party research analyst estimates of EBITDA, EBITDA less maintenance capital expenditures and net income for years ending December 31, 2007 through December 31, 2009. These financial forecasts imply share exchange ratios of 0.912x - 0.951x in 2007, 0.802x - 0.831x in 2008 and 0.800x - 0.854x in 2009. However, Simmons & Company did not particularly weigh the implied share exchange ratios suggested by third party analyst estimates as such estimates reflect a limited time period that does not fully capture the potential impact of assets under construction for each company as well as contracts awarded to each company.

Comparable Company Trading Analysis

Simmons & Company reviewed and compared certain financial, operating and stock market information of GlobalSantaFe and Transocean to corresponding information of seven publicly traded, offshore drilling companies. Also, Simmons & Company subjectively classified each of these seven companies into two groups: those that were oriented towards jackup drilling rigs, or the Jackup-Oriented Group, and those that were oriented towards floating drilling rigs, or the Floater-Oriented Group. The Jackup-Oriented Group included ENSCO International Inc., Noble Corporation, Hercules Offshore, Inc. and Rowan Companies, Inc. The Floater-Oriented Group included Atwood Oceanics, Inc., Diamond Offshore Drilling, Inc. and Ocean Rig ASA.

For GlobalSantaFe, Transocean and each of the comparable companies, Simmons & Company reviewed the following ratios for the year ended December 31, 2007 and the year ended December 31, 2008:

- the ratio of each company's adjusted market value to EBITDA;
- the ratio of earnings per share to the company's stock price per share; and
- the ratio of cash flow per share to the company's stock price per share.

Simmons & Company utilized third-party research estimates for each company's earnings per share. Adjustments to convert earnings per share to cash flow per share and EBITDA were based on data from third-party research analysts and Simmons & Company's research group. Adjusted market value, as used by Simmons & Company in its analysis, means equity value (the number of fully diluted

shares outstanding multiplied by the closing share price as of July 20, 2007) plus debt and minority interests and less cash and any investment in unconsolidated affiliates.

The following table sets forth the results of this analysis:

	Jackup-Oriented Group		Floater-Oriented Group	
	Range	Median	Range	Median
Ratio Of Adjusted Market Value To:				
2007P EBITDA	4.8x - 7.9x	6.1x	8.8x - 13.4x	11.7x
2008P EBITDA	4.1x - 5.7x	5.1x	5.7x - 8.8x	6.2x
Ratio Of Equity Value To:				
2007P Net Income	8.1x - 11.4x	9.9x	14.0x - 34.7x	16.7x
2008P Net Income	6.6x - 8.6x	7.7x	8.6x - 10.8x	8.6x
2007P Cash Flow	5.4x - 9.1x	8.1x	11.6x - 14.6x	13.4x
2008P Cash Flow	4.7x - 7.1x	6.6x	7.5x - 7.6x	7.5x

Based on the above data, Simmons & Company subjectively selected a range of ratios for GlobalSantaFe and Transocean for each of the above measures and time periods. These ratio ranges were then used to determine an implied share price for GlobalSantaFe and Transocean. Generally, Simmons & Company placed more emphasis on the Jackup-Oriented Group when selecting multiples for GlobalSantaFe. For Transocean, Simmons & Company generally placed more emphasis on the Floater-Oriented Group. The following table sets forth the range of multiples selected:

	GlobalSantaFe Suggested Range	Transocean Suggested Range
Ratio Of Adjusted Market Value To:		
2007P EBITDA	6.0x - 8.0x	9.0x - 12.0x
2008P EBITDA	5.0x - 6.0x	6.0x - 8.0x
Ratio Of Equity Value To:		
2007P Net Income	9.0x - 11.0x	13.0x - 17.0x
2008P Net Income	7.5x - 8.5x	8.5x - 10.0x
2007P Cash Flow	7.5x - 8.5x	10.0x - 13.0x
2008P Cash Flow	6.0x - 7.0x	7.0x - 8.0x

Implied share prices for GlobalSantaFe and Transocean were then used to determine an implied share exchange ratio range for each measure and time period. The results of this analysis suggested a share exchange ratio range of 0.590x to 0.720x.

Relative Asset Value Analysis

Simmons & Company calculated the share exchange ratios implied by asset replacement values and net asset values based on the following:

Data from third-party research analysts was used to calculate the value of the existing rig fleets of GlobalSantaFe and Transocean;

Third-party data was also utilized to assess the market value of GlobalSantaFe's non-rig businesses; and

Simmons & Company made adjustments for each company based on estimated values of rigs under construction and for incremental capital expenditures needed to complete such rigs.

The results of these analyses suggested an implied share exchange ratio of 0.701x based on asset replacement values and 0.762x based on net asset values. Simmons & Company did not emphasize the relative asset value analysis in arriving at its opinion as Simmons & Company did not believe the analysis captures the value of the respective businesses as ongoing enterprises. Furthermore, the data available from third-party research analysts is based on limited available information on recent sales of rigs similar to those in the GlobalSantaFe and Transocean rig fleets.

Historical Share Exchange Ratio Analysis

Simmons & Company derived implied historical share exchange ratios by dividing the closing price of the GlobalSantaFe ordinary shares by the closing price of the Transocean ordinary shares for each trading day over varying time periods. Such derived share exchange ratios were used by Simmons & Company as a basis for comparison with the share exchange ratio as of July 20, 2007, which is approximately equal to the actual share exchange ratio. The following table sets forth the results of this analysis:

	Share Exchange Ratio	Premium To Ratio as of July 20, 2007
Ratio As Of July 20, 2007	0.680x	0.0%
30-Day Average	0.679x	0.1
90-Day Average	0.703x	(3.3)
180-Day Average	0.729x	(6.8)
1-Year Average	0.725x	(6.3)
Since January 2006	0.727x	(6.5)

Assessment of Cash Distribution

Simmons & Company understands GlobalSantaFe and Transocean have received a commitment letter for a bridge loan that, when combined with estimated cash on hand at closing, will allow $15.0 billion to be distributed to shareholders of Transocean and GlobalSantaFe. Simmons & Company reviewed the calculations as to how the cash distribution would be allocated to shareholders. A summary of these calculations is as follows:

A total of $15.0 billion will be distributed from the proceeds of a $15.0 billion bridge loan. Fees and transaction costs necessary to secure the bridge loan will be paid from cash on hand.

Cash will be allocated on the basis of the agreed exchange ratio in the Merger. This will result in approximately 34% of the distribution, or approximately $5.1 billion, being distributed to the GlobalSantaFe shareholders.

Based on GlobalSantaFe's actual ordinary shares outstanding of approximately 228.3 million, as furnished by GlobalSantaFe, the cash distribution per ordinary share of GlobalSantaFe would be $22.46.

Simmons & Company's opinion does not address the underlying business decision for the combined company to incur new debt to fund the above distribution to shareholders.

Miscellaneous

Simmons & Company is an internationally recognized investment banking firm specializing in the energy industry and is continually engaged in the valuation of businesses and their securities in connection with mergers and acquisitions. GlobalSantaFe selected Simmons & Company to provide a fairness opinion in connection with the Merger because of Simmons & Company's experience and expertise. In the ordinary course of its business, Simmons & Company actively trades the debt and equity securities of both GlobalSantaFe and Transocean for its own account and for the accounts of its customers and, accordingly, may at any time hold a long or short position in such securities.

Simmons & Company in the past has provided investment banking services to GlobalSantaFe for which it received customary compensation and reimbursement of expenses. Simmons & Company has also previously provided investment banking and financial advisory services to Transocean for which it has received customary compensation. Simmons & Company anticipates that it may act as financial adviser to Transocean with respect to future transactions.

Pursuant to the terms of the engagement of Simmons & Company, GlobalSantaFe paid Simmons & Company an initial fee of $250,000 and an additional fee of $1,750,000 for rendering its opinion. In addition, GlobalSantaFe has agreed to reimburse Simmons & Company for its reasonable

out-of-pocket expenses incurred in connection with the engagement, including the fees and expenses of its legal counsel, and to indemnify Simmons & Company against certain liabilities that may arise out of the engagement, including certain liabilities under federal securities laws.

Interests of Certain Persons in the Transactions

You should be aware that Transocean and GlobalSantaFe directors and executive officers have interests in the Transactions as directors or officers that are different from, or in addition to, the interests of other Transocean and GlobalSantaFe shareholders.

Governance and Management of Transocean Following the Transactions

After the Transactions, Transocean will have a board of directors that consists of 14 members, which will include seven directors designated by Transocean's board of directors and seven directors designated by GlobalSantaFe's board of directors. The Transocean board of directors has, in consultation with GlobalSantaFe, designated the following seven current members of the Transocean board of directors to continue to serve as members of the Transocean board of directors at the effective time of the Merger: Victor E. Grijalva (Class I), Robert L. Long (Class I), Martin B. McNamara (Class III), Kristian Siem (Class II), Robert M. Sprague (Class II), Ian C. Strachan (Class III) and J. Michael Talbert (Class I). The GlobalSantaFe board of directors has, in consultation with Transocean, designated the following seven current members of the GlobalSantaFe board of directors to serve as members of the Transocean board of directors after the effective time of the Merger: W. Richard Anderson (Class I), Thomas W. Cason (Class II), Richard L. George (Class I), Jon A. Marshall (Class III), Edward R. Muller (Class I), Robert E. Rose (Class III) and John L. Whitmire (Class II). The terms of Class I, II and III directors will expire at Transocean's annual general meetings in 2009, 2010 and 2008, respectively. Robert E. Rose, the current Chairman of GlobalSantaFe's board of directors, will serve as the Chairman of the board of directors of Transocean. Robert L. Long, the current Chief Executive Officer of Transocean, will be the Chief Executive Officer of Transocean. Jon A. Marshall, the current President and Chief Executive Officer of GlobalSantaFe, will be the President and Chief Operating Officer of Transocean.

The following individuals will serve as officers of Transocean: Jean P. Cahuzac, Executive Vice President, Asset Management; Steven L. Newman, Executive Vice President, Operations; Eric B. Brown, Senior Vice President, General Counsel and Secretary; Gregory L. Cauthen, Senior Vice President and Chief Financial Officer; David J. Mullen, Senior Vice President, Marketing and Corporate Strategy; Cheryl D. Richard, Senior Vice President, Human Resources and Information Technology; Robert L. Herrin, Vice President, Audit and Advisory Services; and Gregory S. Panagos, Vice President, Investor Relations.

Interests of Transocean Directors and Executive Officers in the Transactions

Board of Directors

At the effective time of the Merger, the board of directors of Transocean will be comprised of seven persons who were designated by Transocean from its current board of directors and seven persons who were designated by GlobalSantaFe from its current board of directors, as more particularly described under " Governance and Management of Transocean Following the Transactions." Under the terms of the Transocean articles of association to be in effect at the closing of the Transactions, prior to the second anniversary of the effective date of the Transactions, any vacancy on Transocean board of directors that relates to a director who was previously a Transocean director will be filled by the other former Transocean directors who are on the Transocean board.

Continuing Employment with Transocean

At the effective time of the Merger, Robert L. Long, the current Chief Executive Officer of Transocean, will continue in that position. Under the terms of the Transocean articles of association to be in effect at the closing of the Transactions, any action taken prior to the second anniversary of the

effective time of the Transactions to remove, replace or appoint a new chief executive officer of Transocean will require the approval of two-thirds of the entire board of directors of Transocean.

Long-Term Incentive Plan

Under the terms of Transocean's Long-Term Incentive Plan, which applies to nonemployee directors, officers and other key employees, all outstanding and unvested options to purchase Transocean ordinary shares, share appreciation rights, deferred units and restricted shares will vest upon a change of control, as defined in the plan. The Transactions will constitute a change of control, as defined in, and construed under, the plan for purposes of awards made under the plan prior to July 21, 2007. The stock options that vest will be exercisable for the duration of their term, notwithstanding an optionee's termination of employment or cessation of service as a director. The stock options will also be adjusted in connection with the Reclassification. See " Adjustment of Transocean Stock Options" for further information. In the case of deferred units and restricted shares granted to nonemployee directors, officers and other key employees in July 2007, as a result of the Transactions, the grantees of the awards will receive a cash payment for the portion of their unvested deferred units and restricted shares corresponding to the cash payment in the Reclassification.

As of October 1, 2007, the non-employee directors of Transocean held the following deferred units that will vest as a result of the Transactions and did not hold any unvested options or unvested restricted shares that would vest as a result of the Transactions:

	Unvested Deferred Units
J. Michael Talbert	3,316
Victor E. Grijalva	3,316
Mark A. Hellerstein	2,395
Judy J. Kelly	3,316
Arthur Lindenauer	3,316
Michael E. McMahon	2,395
Martin B. McNamara	3,316
Roberto L. Monti	3,316
Kristian Siem	3,316
Robert M. Sprague	3,316
Ian C. Strachan	3,316

The following table sets forth, as of October 1, 2007, information regarding (a) the number of Transocean ordinary shares subject to options held by Transocean's executive officers, (b) the number of Transocean ordinary shares subject to unvested options (including the range of exercise prices and weighted average exercise prices for such unvested options), unvested restricted shares and unvested deferred units held by Transocean's executive officers that will vest as a result of the Transactions, and (c) the estimated total value of such unvested awards based on the closing price of $114.21 per Transocean ordinary share on such date:

	No. of Shares Subject to Options	No. of Shares Subject to Unvested Options	Range of Exercise Price	Weighted Average Exercise Price	Unvested Restricted Shares(a)	Unvested Deferred Units(a)	Total Value of Unvested Awards
Robert L. Long	415,835	187,496	$28.12 - $78.61	$ 63.85		76,150	$ 18,139,958
Jean P. Cahuzac	81,333	73,863	$28.12 - $78.61	$ 63.12	18,345	11,898	$ 7,227,686
Steven L. Newman	56,475	46,185	$28.12 - $78.61	$ 67.86	16,423		$ 4,016,167
Eric B. Brown	48,727	44,418	$28.12 - $78.61	$ 63.75	5,744	12,206	$ 4,291,410
Gregory L. Cauthen	50,569	49,232	$28.12 - $78.61	$ 61.25	20,831		$ 4,986,236
David J. Mullen	21,180	18,882	$56.34 - $78.61	$ 73.19	11,215		$ 2,055,462
David A. Tonnel	11,610	10,461	$56.34 - $78.61	$ 73.72	4,662		$ 956,057

(a) While the restricted shares awarded to Transocean's executive officers in July 2007 will not vest as a result of the Transactions, the executive officers will receive the following cash payments for those restricted shares pursuant to the

Reclassification: Robert L. Long ($1,869,432), Jean P. Cahuzac ($787,138), Steven L. Newman ($713,349), Eric B. Brown ($426,351), Gregory L. Cauthen ($426,351), David J. Mullen ($229,592) and David A. Tonnel ($131,195).

Performance Award and Cash Bonus Plan

Under Transocean's Performance Award and Cash Bonus Plan, upon a change of control as defined in the plan, plan participants will be deemed to have fully attained all performance objectives under the plan. The Transactions will constitute a change of control for purposes of the plan. Therefore, performance awards for the portion of the performance period prior to the change of control will be deemed to be the maximum amount of the award that could have been earned assuming full attainment of the performance objectives. Transocean's executive officers participate in this plan. The executive officers of Transocean would receive the following payments for 2007 under the plan (assuming a closing date of December 31, 2007):

Robert L. Long	$	2,389,250
Jean P. Cahuzac	$	1,135,102
Steven L. Newman	$	811,241
Eric B. Brown	$	590,098
Gregory L. Cauthen	$	677,944
David J. Mullen	$	481,531
David A. Tonnel	$	241,063

Executive Change of Control Severance Benefit

Under Transocean's Executive Change of Control Severance Benefit, a covered executive officer is eligible to receive benefits if Transocean terminates the executive officer other than for "cause" (as defined in the policy) or the executive officer resigns for "good reason" (as defined in the policy) following the change of control. Robert L. Long, Jean P. Cahuzac, Eric B. Brown and Gregory L. Cauthen are covered under the policy. The Transactions will constitute a change in control as defined in, and construed under, the policy.

This policy provides that these executive officers who, within 24 months after a change of control, are terminated by Transocean without "cause" (as defined in the policy) or leave Transocean for "good reason" (as defined in the policy) will receive, in addition to compensation and benefits accrued up to the point of termination, the following:

- a pro rata share of that year's target bonus, as determined by the Executive Compensation Committee of Transocean;
- a lump-sum cash severance payment equal to 2.99 times the sum of base salary and targeted non-equity incentive plan compensation for such executive;
- all outstanding Transocean Long-Term Incentive Plan awards will be treated under the convenience-of-company termination provisions as provided for in the award documents;
- outplacement services not to exceed 5% of the base salary of the executive;
- a gross-up payment in the event the executive officer is subject to a parachute excise tax; provided however, if a 10% reduction in such executive officer's total compensation would result in no excise tax, then such compensation would be reduced accordingly and no gross-up payment would be made to the executive officer; and
- for purposes of calculating the executive's benefit under Transocean's supplemental retirement plan, the executive will be assumed to have three additional years of age and service credits for purposes of vesting and accrual and the executive's employment will be deemed to have continued for three years following termination at the then current annual base salary and target bonus.

The following table sets forth, for illustrative purposes, payments under the Executive Change of Control Severance Benefit assuming a closing date of December 31, 2007 and the executive officer is terminated by Transocean without cause or leaves Transocean for good reason on January 1, 2008:

	Robert L. Long	Jean P. Cahuzac	Gregory L. Cauthen	Eric B. Brown
Termination in Connection with a Change in Control				
Cash Severance Payment	$ 5,531,500	$2,877,875	$1,961,440	$1,807,455
Benefit Continuation	COBRA (If Applicable)	COBRA (If Applicable)	COBRA (If Applicable)	COBRA (If Applicable)
Deferred Compensation Balance			161,527	
Annual Performance Bonus				
Outplacement	46,250	27,500	20,500	19,500
Pension Benefit (Qualified)	1,279,659	105,361	150,184	408,440
Pension Benefit (Non Qualified)	14,188,033	1,486,379	765,580	2,320,147
Long-Term Incentive Plan Award(a)	4,522,259	1,904,109	1,031,316	1,031,316
Supplemental Savings Plan	229,178	100,288	46,568	48,464
Excise Tax Gross-Up				
Total Change-in-Control Severance Benefit	$25,796,879(b)	$6,501,512(b)	$4,137,115(b)	$5,635,322(b)

(a) Reflects an assumed share price of $114.21 based on the closing price of Transocean ordinary shares on October 1, 2007 multiplied by the remaining 2007 restricted shares and deferred units after the Reclassification, which would fully vest in connection with a termination by Transocean without cause or an executive leaving Transocean for good reason pursuant to the Executive Change of Control Severance Benefit.

(b) In addition, the unvested equity awards of the covered officers described under "Long-Term Incentive Plan" vest in connection with a change of control.

Transocean does not currently expect any covered executive officer to be terminated in connection with the Transactions. However, if any covered executive officer is terminated by Transocean without cause or leaves Transocean for good reason within 24 months after the completion of the Transactions, such covered executive officer would be eligible to receive severance benefits. While Messrs. Mullen, Newman and Tonnel are not covered officers under the Executive Change of Control Benefit, they would, in the event of a termination, be entitled to receive certain severance benefits under either Transocean's executive severance benefit policy or the severance plan being established in connection with the Merger. Unlike the Executive Change of Control Benefit, Transocean's executive severance benefit policy does not require a change of control in order for the executive to be entitled to the benefits.

Ownership of GlobalSantaFe Ordinary Shares

Siem Industries, Inc., an affiliate of Kristien Siem, a director of Transocean, holds 500,000 ordinary shares of GlobalSantaFe. Siem Industries has indicated that it intends to vote its shares in favor of the GlobalSantaFe proposal.

Interests of GlobalSantaFe Directors and Executive Officers in the Transactions

In considering the recommendations of the GlobalSantaFe board of directors with respect to the merger agreement, you should be aware that GlobalSantaFe's directors and executive officers have financial and other interests in the Merger in addition to their interests as shareholders of GlobalSantaFe. The GlobalSantaFe board of directors was aware of these additional interests and considered them, among other matters, in reaching its decision to approve the merger agreement and to recommend that GlobalSantaFe shareholders vote to approve the Merger.

Board of Directors

At the effective time of the Merger, the board of directors of Transocean will be comprised of seven persons who were designated by Transocean from its current board of directors and seven persons who were designated by GlobalSantaFe from its current board of directors, as more particularly described under " Governance and Management of Transocean Following the Transactions." Under the terms of the Transocean articles of association to be in effect at the closing of the Transactions, prior to the second anniversary of the effective date of the Merger, any vacancy on Transocean board of directors that relates to a director who was previously a GlobalSantaFe director will be filled by a designee selected by the other former GlobalSantaFe directors who are on the Transocean board. The merger agreement further provides that, at the effective time of the Merger, Robert E. Rose, the current chairman of the board of directors of GlobalSantaFe, will become chairman of the board of directors of Transocean. Under the terms of the Transocean articles of association to be in effect at the closing of the Transactions, any action taken prior to the second anniversary of the effective time of the Merger to remove, replace or appoint a new chairman of the board of Transocean will require the approval of two-thirds of the entire board of directors of Transocean.

Continuing Employment with Transocean

At the effective time of the Merger, Jon A. Marshall, the current Chief Executive Officer and President of GlobalSantaFe, will be the President and Chief Operating Officer of Transocean. Under the terms of the Transocean articles of association to be in effect at the closing of the Transactions, any action taken prior to the second anniversary of the effective time of the Merger to remove, replace or appoint a new president and chief operating officer of Transocean will require the approval of two-thirds of the entire board of directors of Transocean.

In addition, the parties have agreed that the following officers of GlobalSantaFe will serve as officers of Transocean: Cheryl D. Richard will serve as Senior Vice President, Human Resources and Information Technology, and Robert L. Herrin will serve as Vice President, Audit and Advisory Services. Under the terms of the merger agreement, until December 31, 2008, Transocean will provide the employees of GlobalSantaFe as of the day immediately prior to the effective time of the Merger, including these individuals, with salary and (in the aggregate) other employee compensation and benefits no less favorable than the salary and other employee compensation and benefits that they were receiving from GlobalSantaFe at the effective time of the Merger. See " Employee Benefits Matters" below.

Furthermore, Transocean has agreed to assume the severance agreements between GlobalSantaFe and certain of its employees, including those of Ms. Richard and Mr. Marshall.

GlobalSantaFe Options, SARs and Stock Units

Pursuant to their governing instruments, all GlobalSantaFe options to acquire GlobalSantaFe ordinary shares and stock-settled stock appreciation rights, or GlobalSantaFe SARs, including GlobalSantaFe options and SARs held by directors and executive officers of GlobalSantaFe, that are outstanding at the time of shareholder approval of the Merger will become vested and exercisable at that time. The merger agreement provides that each outstanding GlobalSantaFe option and GlobalSantaFe SAR will become exercisable for Transocean ordinary shares immediately following the effective time of the Merger. In addition, GlobalSantaFe options and SARs that would otherwise expire under their terms will be deemed modified to remain exercisable for their full scheduled term in the event the holder thereof is involuntarily terminated for any reason other than cause within twelve months after the effective time of the Merger. Each outstanding GlobalSantaFe stock unit will be exchanged for and converted into the GlobalSantaFe merger consideration. For a more complete description of the terms of the treatment of the GlobalSantaFe options, SARs and stock units, please see " GlobalSantaFe Options, SARs and Restricted Stock Units and Assumption of GlobalSantaFe

Stock Plans." Ms. Richard and Messrs. Marshall, Ralls, Dawson, Hunt and McCulloch have agreed that their unvested options and SARs will not become vested and exercisable upon shareholder approval of the Merger, rather that such vesting and exercisability shall occur upon consummation of the Merger. These individuals have also agreed that their stock units will not become payable upon shareholder approval of the Merger, but rather will become payable either upon consummation of the Merger or by March 14 of the year following the year in which shareholder approval occurs.

GlobalSantaFe Performance Units and Annual Bonuses

Each executive officer of GlobalSantaFe holds cash-based performance units that were awarded by GlobalSantaFe in 2005. Pursuant to their governing instruments, the performance units each have a $25 cash target value and will pay out at, above or below $25 (with a $0 minimum and a $50 maximum) depending on GlobalSantaFe's performance during a three-year performance period ending December 31, 2007, as measured by GlobalSantaFe's return on invested capital and total shareholder return relative to a peer group of its competitors. Pursuant to their governing instruments, all performance units that are outstanding at the time of GlobalSantaFe shareholder approval of the Merger will be paid (a) at the $25 target value if shareholder approval occurs during 2007, such payment to be made on the date of such approval, or (b) at the value determined by GlobalSantaFe's actual performance during the three-year performance period if shareholder approval occurs after 2007, such payment to be made as soon as practicable after December 31, 2007, but, pursuant to the merger agreement, no later than March 14, 2008; provided, however, that GlobalSantaFe could provide that all outstanding performance units will instead be paid (c) at the value determined by GlobalSantaFe's actual performance during that portion of the three-year performance period ending immediately prior to the effective time of the Merger, such payment being made by March 14, 2008, which would require approval by GlobalSantaFe's Compensation Committee and, in the case of the Chief Executive Officer, ratification by GlobalSantaFe's independent directors and, if shareholder approval occurs during 2007 and the payment is made after shareholder approval, or if such payment is less than the payment that would otherwise be made, the consent of the holder of the performance units. If the performance units were to become payable at the $25 target value upon shareholder approval of the Merger in 2007, the value of the performance units held by each executive officer would be as follows: Ms. Richard $235,000; Mr. Marshall $925,000; Mr. Ralls $487,500; Mr. Dawson $274,500; Mr. Herrin $40,000; Mr. Hunt $312,500; Mr. McCulloch $387,500; Mr. Morrison $42,700; and Mr. Simmons $250,000.

Each GlobalSantaFe executive officer is also a participant in the GlobalSantaFe 2007 Annual Incentive Plan, which provides for cash bonuses based on GlobalSantaFe's and the individual participant's performance during 2007. Pursuant to the terms of the plan, the annual bonuses will be paid, at the discretion of GlobalSantaFe's Compensation Committee, as soon as practicable after December 31, 2007, but, pursuant to the merger agreement, no later than March 14, 2008. GlobalSantaFe could, however, determine prior to the effective time of the Merger that such bonuses will instead be paid based on performance during only a portion of 2007, ending before the determination is made, which would require approval by GlobalSantaFe's Compensation Committee and, in the case of the Chief Executive Officer, ratification by GlobalSantaFe's independent directors.

The following table sets forth, as of October 1, 2007, the number of GlobalSantaFe ordinary shares subject to GlobalSantaFe options, SARs and stock units held by GlobalSantaFe's directors and executive officers and the estimated value of the unvested portion of those options, SARs and stock units based on the closing price of $77.35 per GlobalSantaFe ordinary share on such date, which unvested options, SARs and stock units will vest as a result of the Transactions as described in the table under " Severance Agreements" below. Any changes in the price per GlobalSanteFe ordinary share will affect the values reflected below.

	No. Shares Subject to Options	No. Shares Subject to Unvested Options	Weighted Average Exercise Price of Options	No. Shares Subject to SARs	No. Shares Subject to Unvested SARs	Weighted Average Exercise Price of SARs	No. Shares Subject to Stock Units	No. Shares Subject to Unvested Stock Units	Total Value of Unvested Awards
Directors									
W. Richard Anderson			$	10,000	10,000	$ 68.54	3,000	3,000	$ 320,150
Thomas W. Cason	35,315		$ 31.83	12,000	9,000	$ 63.01	9,000	9,000	$ 808,605
Richard L. George	38,000		$ 29.55	12,000	9,000	$ 63.01	9,000	9,000	$ 808,605
Edward R. Muller	14,320		$ 36.19	12,000	9,000	$ 63.01	9,000	9,000	$ 808,605
Robert E. Rose	16,000		$ 29.35	12,000	9,000	$ 63.01	9,000	9,000	$ 808,605
Stephen J. Solarz	3,000		$ 37.72	12,000	9,000	$ 63.01	9,000	9,000	$ 808,605
Carroll W. Suggs	39,970		$ 31.05	12,000	9,000	$ 63.01	9,000	9,000	$ 808,605
John L. Whitmire	22,640		$ 31.21	12,000	9,000	$ 63.01	9,000	9,000	$ 808,605
Executive Officers									
Michael R. Dawson	32,376	5,612	$ 31.18	81,600	67,456	$ 55.25	27,956	27,956	$ 3,794,223
Robert Herrin	5,775	5,775	$ 33.64	7,000	5,742	$ 55.03	7,230	7,230	$ 932,839
Roger B. Hunt	13,200	6,600	$ 37.48	83,200	68,172	$ 55.00	33,500	33,500	$ 4,295,097
Jon A. Marshall	509,096	19,140	$ 32.35	250,400	209,464	$ 55.60	87,400	87,400	$ 11,830,874
James L. McCulloch	37,620	8,085	$ 30.21	85,500	70,030	$ 54.99	31,800	31,800	$ 4,262,815
Stephen E. Morrison	890	890	$ 37.48	24,700	23,816	$ 56.34	11,956	11,956	$ 1,454,723
Walter M. Ralls	31,000	10,230	$ 37.48	121,800	101,128	$ 55.38	43,900	43,900	$ 5,903,810
Cheryl D. Richard	4,950	4,950	$ 37.48	46,308	46,308	$ 56.42	20,850	20,850	$ 2,779,281
R.B. Simmons	32,500	5,280	$ 31.01	62,200	52,408	$ 55.35	24,670	24,670	$ 3,214,246

Severance Agreements

Eight of GlobalSantaFe's executive officers, Ms. Richard and Messrs. Marshall, Ralls, Dawson, Hunt, McCulloch, Morrison and Simmons, have severance agreements with GlobalSantaFe that include enhanced severance after a change in control. The agreements provide severance benefits in the event of termination of employment other than for "cause" or in the event of voluntary termination for "good reason" (as such terms are defined in the agreements). If there is a change in control of GlobalSantaFe (which is triggered by shareholder approval of the Merger) and the executive has a qualifying termination of employment within the three years following the change in control, the severance benefits include:

three times annual base salary paid as salary continuation;

a lump sum equal to three times the highest bonus paid or payable in any one year to the executive in the prior three years;

gross-up for any applicable parachute excise tax;

extension of health, dental and life insurance benefits for the salary continuation period (upon employment by another employer, health and dental benefits become secondary to any provided by the new employer);

immediate vesting of the executive's Supplemental Executive Retirement Plan benefit as if the executive had attained at least age 55 and at least five years of service, thereby entitling the executive to normal retirement benefits commencing at any time on or after the executive's normal retirement date, or early retirement benefits commencing at any time on or after executive attains or would have attained age 55;

immediate eligibility for non-pension post-retirement benefits as if age 55;

distribution of deferred compensation under the non-qualified deferred compensation plan; and

for purposes of calculating the executive's pension plan benefits, continued accrual of service for the salary continuation period.

Prior to entering into the merger agreement, the GlobalSantaFe board of directors approved the amendment of the severance agreement of Mr. Marshall to extend the period in which he may give notice that a "good reason" event has occurred under his severance agreement from six months to twenty-four months, to provide that he will not be considered to have consented to any event which would otherwise constitute "good reason" under his severance agreement without a signed writing specifically referring to the severance agreement's provision, and to confirm the application of the change-in-control definition in his severance agreement within the context of the merger agreement. In addition, the GlobalSantaFe board of directors approved the amendment of the severance agreements of each of Ms. Richard and Messrs. Ralls, Dawson, Hunt, McCulloch, Morrison and Simmons to provide that the officer will not be considered to have consented to any event that would otherwise constitute "good reason" under the executive officer's severance agreement without a signed writing specifically referring to the severance agreement's provision, and to confirm the application of the change-in-control definition in the executive officer's severance agreement within the context of the merger agreement.

The table below sets forth, for illustrative purposes, the potential payments to each GlobalSantaFe executive officer assuming a GlobalSantaFe ordinary share price of $77.35 per share (based on the closing price on the record date), a closing date of December 31, 2007, and assuming the employment of the executive officer is terminated by Transocean without cause or the executive officer leaves Transocean for good reason on January 1, 2008. Ms. Richard and Messrs. Marshall and Morrison are expected to continue as officers with the combined company and, as a result, will not become entitled

to the potential payments, except for the portion of the payments that relates solely to a change in control (as described in footnotes (b) and (d) to the table), unless they leave the combined company for good reason or are terminated without cause within three years following the change in control.

Jon A. Marshall	W. Matt Ralls	James L. McCulloch	Michael R. Dawson	R. Blake Simmons	Cheryl D. Richard	Stephen E. Morrison	Roger B. Hunt