

TRANSOCEAN INC  
Form 424B5  
November 30, 2011

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[TABLE OF CONTENTS](#)  
[TABLE OF CONTENTS](#)

Filed pursuant to Rule 424(b)(5)  
Registration Statement No. 333-169401

**The information in this preliminary prospectus supplement is not complete and may be changed. This prospectus supplement and the accompanying prospectus are not an offer to sell these securities and we are not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.**

**Subject to Completion. Dated November 30, 2011.**

**Prospectus Supplement to Prospectus dated September 16, 2010.**

**\$ % Senior Notes due 2016**  
**\$ % Senior Notes due 2021**  
**\$ % Senior Notes due 2041**

**Fully and Unconditionally Guaranteed by  
Transocean Ltd.**

Transocean Inc. will pay interest on each series of notes semi-annually on \_\_\_\_\_ and \_\_\_\_\_ of each year, commencing on \_\_\_\_\_, 2012. The interest rate on the notes of each series may be adjusted under the circumstances described in this prospectus supplement under "Description of the Notes and Guarantees Interest Rate Adjustment." The notes are unsecured and will rank equally with all of Transocean Inc.'s existing and future unsecured and unsubordinated debt. The due and punctual payment of the principal of, premium, if any, interest on and all other amounts due under the notes will be fully and unconditionally guaranteed by Transocean Ltd. The guarantees will rank equally with all other unsecured indebtedness of Transocean Ltd. The notes will be issued only in denominations of \$1,000 and integral multiples of \$1,000.

Transocean Inc. may redeem all or part of any series of the notes at any time prior to maturity at a price equal to 100% of the principal amount of the notes being redeemed plus accrued and unpaid interest and a "make-whole premium," as described under "Description of the Notes and Guarantees Optional Redemption."

*See "Risk Factors" beginning on page S-7 of this prospectus supplement and on page 3 of the accompanying prospectus to read about factors you should consider before buying the notes.*

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**Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.**

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	Public Offering Price		Underwriting Discount		Proceeds, Before Expenses, to Us	
	Per Note	Total	Per Note	Total	Per Note	Total
% Senior Notes due 2016	% \$		% \$		% \$	
% Senior Notes due 2021	% \$		% \$		% \$	
% Senior Notes due 2041	% \$		% \$		% \$	
Total	\$		\$		\$	

The initial public offering price set forth above does not include accrued interest, if any. Interest on the notes will accrue from December , 2011 and must be paid by the purchasers if the notes are delivered after December , 2011.

The underwriters expect to deliver the notes through the facilities of The Depository Trust Company against payment in New York, New York on December , 2011.

*Joint Book-Running Managers*

**Barclays Capital**

**Credit Suisse**

**Mitsubishi UFJ Securities**

**Wells Fargo Securities**

**Citigroup**

**JP Morgan**

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Prospectus Supplement dated , 2011.

Table of Contents**TABLE OF CONTENTS****Prospectus Supplement**

<u>Special Note Regarding Forward-Looking Statements</u>	<u>S-iii</u>
<u>Where You Can Find More Information</u>	<u>S-v</u>
<u>Enforceability of Civil Liabilities Against Foreign Persons</u>	<u>S-vii</u>
<u>Summary</u>	<u>S-1</u>
<u>Risk Factors</u>	<u>S-7</u>
<u>Use of Proceeds</u>	<u>S-10</u>
<u>Ratio of Earnings to Fixed Charges</u>	<u>S-11</u>
<u>Capitalization</u>	<u>S-12</u>
<u>Description of the Notes and Guarantees</u>	<u>S-14</u>
<u>Material U.S. Federal Income Tax Considerations</u>	<u>S-23</u>
<u>Cayman Islands Tax Consequences</u>	<u>S-27</u>
<u>Material Swiss Tax Consequences</u>	<u>S-27</u>
<u>Underwriting</u>	<u>S-30</u>
<u>Legal Matters</u>	<u>S-33</u>
<u>Experts</u>	<u>S-33</u>

**Prospectus**

<u>About This Prospectus</u>	<u>ii</u>
<u>Forward-Looking Information</u>	<u>iii</u>
<u>About Transocean Ltd.</u>	<u>1</u>
<u>About Transocean Inc.</u>	<u>1</u>
<u>Where You Can Find More Information</u>	<u>2</u>
<u>Risk Factors</u>	<u>3</u>
<u>Use of Proceeds</u>	<u>23</u>
<u>Ratio of Earnings to Fixed Charges</u>	<u>23</u>
<u>Description of Transocean Inc. Debt Securities and Transocean Ltd. Guarantee</u>	<u>24</u>
<u>Description of Transocean Ltd. Shares</u>	<u>32</u>
<u>Description of Warrants</u>	<u>43</u>
<u>Anti-Takeover Provisions</u>	<u>44</u>
<u>Plan of Distribution</u>	<u>46</u>
<u>Legal Matters</u>	<u>48</u>
<u>Experts</u>	<u>48</u>

Transocean Inc. and Transocean Ltd. have not authorized anyone to provide you with information other than the information contained in or incorporated by reference into this prospectus supplement and the accompanying prospectus. This prospectus is an offer to sell only the notes offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus is current only as of its date.

This document is in two parts. The first part is the prospectus supplement, which describes the specific terms of the notes and adds to and updates information contained in the accompanying prospectus and the documents incorporated by reference into the prospectus supplement and the accompanying prospectus. The second part, the accompanying prospectus, gives more general information, some of which does not apply to the notes offered hereby. If the description of the notes varies between this prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement.

Table of Contents

The notes will not be listed on the SIX Swiss Exchange and, therefore, this prospectus supplement has been prepared without regard to the disclosure standards of the listing rules (including any additional Listing Rules or prospectus schemes) of the SIX Swiss Exchange. The notes will not be publicly offered in Switzerland and, therefore, this prospectus supplement has been prepared without regard to the disclosure standards for issuance prospectuses under article 652a or article 1156 of the Swiss Code of Obligations. Neither this document nor any other offering or marketing material relating to these securities or the offering may be publicly distributed or otherwise made publicly available in Switzerland. This document has not been and will not be filed with or approved by any Swiss regulatory authority. In particular, this document has not and will not be filed with the Swiss Financial Market Supervisory Authority FINMA.

This communication is only being distributed to and is only directed at (1) persons who are outside the United Kingdom or (2) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order") or (3) high net worth companies, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "relevant persons"). The notes are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such notes will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

**Limitations on Comparability**

As discussed in Note 8 to the unaudited condensed consolidated financial statements included in our Quarterly Report on Form 10-Q for the quarter ended September 30, 2011, in connection with our efforts to dispose of non-strategic assets: (a) in March 2011, we engaged an unaffiliated advisor to coordinate the sale of the assets of our oil and gas properties reporting unit, and (b) in February 2011, we sold our former subsidiary that owns the High-Specification Jackup *Trident 20*, located in the Caspian Sea. As a result of these developments, we have reclassified the assets and liabilities and operating results associated with these discontinued operations in the unaudited consolidated financial statements included in our Quarterly Reports on Form 10-Q for the periods ended March 31, 2011, June 30, 2011 and September 30, 2011, which are incorporated by reference in this prospectus supplement. The audited consolidated financial statements included in our 2010 Annual Report on Form 10-K, which are also incorporated by reference in this prospectus supplement, have not been recast to reflect these discontinued operations. These differences limit comparability of data across the relevant periods.

Table of Contents

**SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS**

The statements included in this prospectus supplement and the documents incorporated by reference in the accompanying prospectus regarding future financial performance and results of operations and other statements that are not historical facts are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act") and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Forward-looking statements include, but are not limited to, statements about the following subjects:

the impact of the Macondo well incident and related matters,

the offshore drilling market, including the impact of the drilling moratorium and new regulations in the United States ("U.S.") Gulf of Mexico, supply and demand, utilization rates, dayrates, out of service and unplanned downtime, customer drilling programs, commodity prices, stacking of rigs, reactivation of rigs, effects of new rigs on the market and effects of declines in commodity prices and the downturn in the global economy or market outlook for our various geographical operating sectors and classes of rigs,

customer contracts, including contract backlog, force majeure provisions, contract commencements, contract extensions, contract terminations, contract option exercises, contract revenues, contract awards and rig mobilizations,

newbuild, upgrade, shipyard and other capital projects, including completion, delivery and commencement of operation dates, expected downtime and lost revenue, the level of expected capital expenditures and the timing and cost of completion of capital projects,

liquidity and adequacy of cash flow for our obligations, including our ability and the expected timing to access certain investments in highly liquid instruments,

our results of operations and cash flow from operations, including revenues and expenses,

uses of excess cash, including the payment of dividends and other distributions and debt retirement,

the cost, timing and integration of acquisitions and the proceeds and timing of dispositions,

tax matters, including, but not limited to, our effective tax rate, changes in tax laws, treaties and regulations, tax assessments and liabilities for tax issues, including those associated with our activities in Brazil, Norway and the U.S.,

legal and regulatory matters, including results and effects of legal proceedings and governmental audits and assessments, outcomes and effects of internal and governmental investigations, customs and environmental matters,

insurance matters, including adequacy of insurance, renewal of insurance, insurance proceeds and cash investments of our wholly owned captive insurance company,

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debt levels, including impacts of the financial and economic downturn,

effects of accounting changes and adoption of accounting policies, and

investments in recruitment, retention and personnel development initiatives, pension plan and other postretirement benefit plan contributions, the timing of severance payments and benefit payments.

S-iii

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### Table of Contents

Forward-looking statements included or incorporated by reference in this prospectus supplement and the accompanying prospectus are identifiable by use of the following words and other similar expressions, among others:

"anticipates"	"may"
"believes"	"might"
"budgets"	"plans"
"could"	"predicts"
"estimates"	"projects"
"expects"	"scheduled"
"forecasts"	"should"
"intends"	

Such statements are subject to numerous risks, uncertainties and assumptions, including, but not limited to:

those described under "Risk Factors" in this prospectus supplement and the accompanying prospectus and in Transocean Ltd.'s filings with the Securities and Exchange Commission (the "SEC"),

the adequacy of and access to sources of liquidity,

our inability to obtain contracts for our rigs that do not have contracts,

our inability to renew contracts at comparable dayrates,

operational performance,

the impact of regulatory changes,

the cancellation of contracts currently included in our reported contract backlog,

increased political and civil unrest,

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the effect and results of litigation, tax audits and contingencies, and

other factors discussed in this prospectus supplement, the accompanying prospectus and in Transocean Ltd.'s filings with the SEC, which are available free of charge on the SEC's website at [www.sec.gov](http://www.sec.gov). Information on Transocean Ltd.'s website or any other website is not incorporated by reference in this prospectus supplement or the accompanying prospectus and does not constitute a part of this prospectus supplement or the accompanying prospectus.

The foregoing risks and uncertainties are beyond our ability to control, and in many cases, we cannot predict the risks and uncertainties that could cause our actual results to differ materially from those indicated by the forward looking statements. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those indicated.

All subsequent written and oral forward-looking statements attributable to Transocean Ltd. or Transocean Inc. 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 Transocean Ltd. and Transocean Inc. undertake no obligation to publicly update or revise any forward-looking statements, except as required by law.

S-iv

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Table of Contents

**WHERE YOU CAN FIND MORE INFORMATION**

Transocean Ltd. files annual, quarterly and current reports, proxy statements and other information with the SEC. You can read and copy these materials at the SEC's public reference room at 100 F Street, N.E., Washington, D.C. 20549. You can obtain information about the operation of the SEC's public reference room by calling the SEC at 1-800-SEC-0330. The SEC also maintains an Internet site that contains information Transocean Ltd. has filed electronically with the SEC, which you can access over the Internet at <http://www.sec.gov>. You can also obtain information about Transocean Ltd. at the offices of the NYSE Euronext, 11 Wall Street, 5th Floor, New York, New York 10005.

Transocean Ltd.'s website is located at <http://www.deepwater.com>. Transocean Ltd.'s Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and other filings with the SEC are available, free of charge, through its website, as soon as reasonably practicable after those reports or filings are electronically filed with or furnished to the SEC. Information on Transocean Ltd.'s website or any other website is not incorporated by reference in this prospectus supplement or the accompanying prospectus and does not constitute a part of this prospectus supplement or the accompanying prospectus.

This prospectus supplement and the accompanying prospectus are part of a registration statement Transocean Ltd. and Transocean Inc. have filed with the SEC relating to the securities the issuers may offer. As permitted by SEC rules, this prospectus supplement and the accompanying prospectus do not contain all of the information included in the registration statement and the accompanying exhibits and schedules. You may refer to the registration statement, exhibits and schedules for more information about Transocean Ltd., Transocean Inc. and the securities. The registration statement, exhibits and schedules are available at the SEC's public reference room or through its website.

The SEC allows the issuers to "incorporate by reference" the information Transocean Ltd. has filed with it, which means that the issuers can disclose important information to you by referring you to those documents. The information the issuers incorporate by reference is an important part of this prospectus supplement, and later information that Transocean Ltd. files with the SEC will automatically update and supersede this information. Transocean Ltd. and Transocean Inc. incorporate by reference the documents listed below and any future filings Transocean Ltd. makes with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act (other than information "furnished" and not "filed" with the SEC, unless the issuers specifically provide that such "furnished" information is to be incorporated by reference) after the date of this prospectus supplement and until all of the notes offered hereby are sold. The documents the issuers incorporate by reference are:

Transocean Ltd.'s Annual Report on Form 10-K for the fiscal year ended December 31, 2010, as amended by  
Transocean Ltd.'s Annual Report on Form 10-K/A filed with the SEC on November 25, 2011;

Transocean Ltd.'s Quarterly Reports on Form 10-Q for the periods ended March 31, 2011, June 30, 2011 and September 30, 2011;

Transocean Ltd.'s Current Reports on Form 8-K filed with the SEC on January 18, 2011, February 3, 2011, February 14, 2011, May 18, 2011, June 17, 2011, June 30, 2011, July 20, 2011, August 4, 2011, August 15, 2011, August 17, 2011, November 4, 2011, November 23, 2011 and November 30, 2011; and

Transocean Ltd.'s Current Report on Form 8-K/A filed with the SEC on August 17, 2011.

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Table of Contents

You may request a copy of these filings, other than an exhibit to these filings unless the issuers have specifically incorporated that exhibit by reference into the filing, at no cost, by writing or calling:

Transocean Ltd.  
c/o Transocean Offshore Deepwater Drilling Inc.  
4 Greenway Plaza  
Houston, Texas 77046  
Attention: Vice President, Investor Relations  
Telephone: (713) 232-7500

S-vi

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Table of Contents

**ENFORCEABILITY OF CIVIL LIABILITIES AGAINST FOREIGN PERSONS**

Transocean Inc. is a Cayman Islands exempted company and Transocean Ltd. is a Swiss corporation. Certain of their respective officers and directors may be residents of various jurisdictions outside the U.S. All or a substantial portion of the assets of Transocean Inc. and Transocean Ltd. and the assets of these persons may be located outside the U.S. As a result, it may be difficult for investors to effect service of process within the U.S. upon these persons or to enforce any U.S. court judgment obtained against these persons that is predicated upon the civil liability provisions of U.S. federal securities laws. Transocean Inc. has agreed to be served with process with respect to actions based on offers and sales of the notes. To bring a claim against Transocean Inc., you may serve Transocean Ltd.'s Corporate Secretary, c/o Transocean Offshore Deepwater Drilling Inc., 4 Greenway Plaza, Houston, Texas 77046, the U.S. agent appointed for that purpose.

Ogier, Transocean Inc.'s Cayman Islands legal counsel, has advised Transocean Inc. that it is uncertain that Cayman Islands courts would enforce (1) judgments of U.S. courts obtained in actions against Transocean Inc. or other persons that are predicated upon the civil liability provisions of the U.S. federal securities laws or (2) original actions brought against Transocean Inc. or other persons predicated upon the Securities Act. There is no treaty between the United States and the Cayman Islands providing for enforcement of judgments, and there are grounds upon which Cayman Islands courts may not enforce judgments of U.S. courts. In general, Cayman Islands courts would not enforce any remedies if they are deemed to be penalties, fines, taxes or similar remedies.

Homburger AG, Transocean Ltd.'s Swiss legal counsel, has advised Transocean Ltd. that it is uncertain that Swiss courts would enforce (1) judgments of U.S. courts obtained in actions against Transocean Ltd. or other persons that are predicated upon the civil liability provisions of U.S. federal securities laws or (2) original actions brought against Transocean Ltd. or other persons predicated upon the Securities Act. The enforceability in Switzerland of a foreign judgment rendered against Transocean Ltd. or such other persons is subject to the limitations set forth in such international treaties by which Switzerland is bound and the Swiss Federal Private International Law Act. In particular, and without limitation to the foregoing, a judgment rendered by a foreign court may only be enforced in Switzerland if:

such foreign court had jurisdiction,

such judgment has become final and nonappealable,

the court procedures leading to such judgment followed the principles of due process of law, including proper service of process, and

such judgment does not violate Swiss law principles of public policy.

In addition, enforceability of a judgment by a non-Swiss court in Switzerland may be limited if Transocean Ltd. can demonstrate that it or such other persons were not effectively served with process.

Table of Contents

**SUMMARY**

*This summary may not contain all of the information that is important to you. You should read this entire prospectus supplement and the accompanying prospectus, including the documents incorporated by reference, before making an investment decision. In sections of this prospectus supplement that describe the business of Transocean Ltd., when we use the terms "we," "us" or "our," we are referring to Transocean Ltd. together with its consolidated subsidiaries and predecessors, the term "Transocean Ltd." means Transocean Ltd. only, and the term "Transocean Inc." means Transocean Inc. only, unless the context otherwise requires. Transocean Inc. is a direct, wholly owned subsidiary of Transocean Ltd.*

**About Transocean Inc.**

Transocean Inc. is a direct, wholly owned subsidiary of Transocean Ltd. Substantially all of our operations are conducted through subsidiaries of Transocean Inc. Subsequent to September 30, 2011, we have also conducted operations through Transocean Services AS, a direct, wholly owned subsidiary of Transocean Ltd.

Transocean Inc.'s principal executive offices are located at 70 Harbour Drive, Grand Cayman, Cayman Islands KY1-1003, and its telephone number at that address is (345) 745-4500.

**About Transocean Ltd.**

Transocean Ltd., through its subsidiaries, is the leading international provider of offshore contract drilling services for oil and gas wells. At November 25, 2011, we owned or had partial ownership interests in and operated 135 mobile offshore drilling units. As of this date, our fleet consisted of 50 High-Specification Floaters (Ultra-Deepwater, Deepwater and Harsh Environment semisubmersibles and drillships), 25 Midwater Floaters, nine High-Specification Jackups, 50 Standard Jackups and one swamp barge. We also had two Ultra-Deepwater drillships and four High-Specification Jackups under construction.

We believe our mobile offshore drilling fleet is one of the most modern and versatile fleets in the world. Our primary business is to contract our drilling rigs, related equipment and work crews predominantly on a dayrate basis to drill oil and gas wells. We specialize in technically demanding regions of the offshore drilling business with a particular focus on deepwater and harsh environment drilling services. We also provide oil and gas drilling management services on either a dayrate basis or a completed-project, fixed-price (or "turnkey") basis, as well as drilling engineering and drilling project management services.

Transocean Ltd. is a Swiss corporation with its registered office at Turmstrasse 30, CH-6300 Zug, Switzerland, and its principal executive offices located at Chemin de Blandonnet 10, CH-1214 Vernier, Switzerland. Transocean Ltd.'s telephone number at that address is +41 22 930 9000. Transocean Ltd.'s shares are listed on the New York Stock Exchange under the symbol "RIG" and on the SIX Swiss Exchange under the symbol "RIGN."

**Recent Developments**

*Recent Equity Offering.* On November 29, 2011, Transocean Ltd. priced an offering of 26,000,000 shares (the "Equity Offering") at \$40.50 per share. Transocean Ltd. granted the underwriters a 30-day option to purchase up to 3,900,000 additional shares to cover over-allotments, if any. Transocean Ltd. expects to receive net proceeds from the Equity Offering of approximately \$1,008 million (or \$1,159 million if the underwriters exercise their option to purchase 3,900,000 additional shares in full). The Equity Offering is expected to settle and close on December 5, 2011, subject to customary closing conditions. This offering and the Equity Offering are not contingent upon each other.

Table of Contents

Transocean Ltd. intends to use the net proceeds from the Equity Offering to partially fund the expected repurchase of Transocean Inc.'s 1.50% Series B Convertible Senior Notes due December 2037 (the "Series B Convertible Senior Notes").

*Five-Year Revolving Credit Facility.* On November 1, 2011, we entered into the Five-Year Revolving Credit Facility Agreement for a \$2.0 billion, five-year revolving credit facility (the "Credit Facility"), thereby replacing the five-year revolving credit facility under the Credit Facility Agreement dated November 27, 2007. Throughout the term of the Credit Facility, we will pay a facility fee on the daily amount of the underlying commitment, whether used or unused, which ranges from 0.10 percent to 0.30 percent, based on our debt rating. At November 1, 2011, we had \$24 million in letters of credit issued and outstanding, \$1.9 billion available borrowing capacity and no borrowings outstanding under the Credit Facility.

*Market Update.* Our revenues are impacted by various items, but most significantly by out of service time and unplanned downtime. As disclosed in our November 15, 2011 fleet status report, we expect an increase in out of service days in the fourth quarter of 2011 as compared to that projected in the October 17, 2011 fleet status report. This increase in out of service days could have an impact that we estimate to be between \$160 million and \$200 million on our revenues for the fourth quarter of 2011. Changes in estimated out of service time are based on a variety of factors, some of which are not within our control, including (1) modifications or upgrades to a rig as a result of contract or regulatory requirements (2) performance of our significant suppliers, (3) changes in customers' operating schedules, and (4) changes to scheduled shipyards, surveys, repairs and regulatory inspections or other scheduled service or work on the rig. For the nine months ended September 30, 2011, our revenues were negatively impacted by significant unplanned downtime. While we have engaged in efforts to reduce unplanned downtime, there can be no assurance that such efforts will have a material impact on our revenues for the fourth quarter of 2011.

Our annual effective tax rate for the nine-month period ended September 30, 2011 was 34.1% as compared to 17.0% in the comparable period in 2010. This increase was primarily due to reduced profitability in certain jurisdictions where activities are either taxed on a deemed profit basis or subject to lower tax rates. Actual revenues that are significantly lower than those expected at the time of our October 17, 2011 fleet status report could materially increase our annual effective tax rate for the year ending December 31, 2011.

**Aker Drilling Credit Facility**

In connection with our acquisition of Aker Drilling ASA ("Aker"), the outstanding debt under Aker's credit facility will become due and payable on December 30, 2011 unless we obtain consents, which must not be unreasonably withheld, from each lender with respect to its commitment. We are currently in discussions to obtain the necessary waivers from each of the lenders. As of November 1, 2011, approximately \$600 million was outstanding under Aker's credit facility.

**Description of Share Capital**

*Issued Share Capital.* As of November 29, 2011, after giving effect to the Equity Offering, our share capital registered in the Commercial Register of the Canton of Zug was CHF 5,418,529,470, divided into 361,235,298 shares with a par value of CHF 15.00 each. Our issued shares are fully paid, non-assessable, and rank *pari passu* with each other and all other shares.

*Authorized Share Capital.* At our annual general meeting of shareholders held on May 13, 2011 (the "2011 AGM"), shareholders approved a new authorized share capital. Our board of directors is authorized to issue new shares at any time during a two-year period ending May 13, 2013 and thereby increase the share capital, without shareholder approval, by a maximum amount of CHF 1,005,705,855

Table of Contents

through the issuance of a maximum of 67,047,057 shares with a par value of CHF 15.00 each. After the expiration of this initial two-year period, and each subsequent two-year period, if any, authorized share capital will be available to the board of directors for issuance of additional shares only if the authorization is reapproved by our shareholders. Our authorized share capital expires on May 13, 2013.

On November 18, 2011, our board of directors resolved, based on our authorized share capital contained in our articles of association dated May 13, 2011 and the resolutions adopted at our 2011 AGM, to increase our share capital through the issuance of up to 30,000,000 new, fully paid-in shares. On November 29, 2011, in connection with the Equity Offering, our share capital was increased from CHF 5,028,529,470 by CHF 390,000,000 to CHF 5,418,529,470, divided into 361,235,298 shares (of which 319,894,914 were outstanding on November 25, 2011) with a par value of CHF 15.00 each. In addition, if the underwriters in the Equity Offering exercise their option to purchase additional shares in full, our share capital will be increased by CHF 58,500,000 through the issuance of 3,900,000 shares with a par value of CHF 15.00 each. Accordingly, our authorized share capital was reduced by CHF 390,000,000 (or will be reduced by CHF 448,500,000 if the underwriters in the Equity Offering exercise their option to purchase additional shares in full), resulting in an authorized share capital of CHF 615,705,855 (or CHF 557,205,855 if the underwriters in the Equity Offering exercise their option to purchase additional shares in full), authorizing our board of directors to issue up to 41,047,057 new shares (or 37,147,057 new shares if the underwriters exercise their option to purchase additional shares in full) at any time during a two-year period ending May 13, 2013.

Table of Contents

**The Offering**

<b>Issuer</b>	Transocean Inc.	
<b>Guarantor</b>	Transocean Ltd.	
<b>Notes Offered</b>	\$      principal amount of	% Senior Notes due 2016, which we refer to as the 2016 notes.
	\$      principal amount of	% Senior Notes due 2021, which we refer to as the 2021 notes.
	\$      principal amount of	% Senior Notes due 2041, which we refer to as the 2041 Notes.
	We refer to the 2016 notes, the 2021 notes and the 2041 notes, collectively, as the "notes."	
<b>Maturity Date</b>		, 2016 for the 2016 notes.
		, 2021 for the 2021 notes.
		, 2041 for the 2041 notes.
<b>Interest Payment Dates</b>	Semi-annually on	and                      , commencing on                      , 2012.
<b>Interest Rate Adjustment</b>	The interest rate payable on the notes of each series will be subject to adjustment from time to time if Moody's Investors Service, Inc. ("Moody's") or Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc. ("S&P") (or a substitute therefor), downgrades (or downgrades and subsequently upgrades) the credit rating assigned to such series of notes as described under "Description of the Notes and Guarantees Interest Rate Adjustment."	
<b>Guarantees</b>	The due and punctual payment of the principal of, premium, if any, interest on and all other amounts due under each series of the notes will be fully and unconditionally guaranteed by Transocean Ltd.	
<b>Ranking</b>	The notes will rank equally with all of Transocean Inc.'s existing and future unsecured, unsubordinated debt and senior to any future subordinated debt of Transocean Inc. The guarantees will be the general unsecured obligations of Transocean Ltd. and will rank equally with all existing and future unsecured and unsubordinated debt of Transocean Ltd. The notes and the guarantees will be effectively subordinated to all existing and future indebtedness of the subsidiaries of Transocean Inc. and Transocean Ltd., respectively.	

Table of Contents

As of September 30, 2011, Transocean Inc. had no secured indebtedness, and Transocean Inc.'s subsidiaries and consolidated variable interest entities had aggregate indebtedness of \$2.1 billion, excluding intercompany indebtedness. As of September 30, 2011, Transocean Ltd. had no outstanding indebtedness other than its guarantee of an aggregate of \$9.0 billion of indebtedness of Transocean Inc. A subsidiary of Transocean Services AS that was acquired subsequent to September 30, 2011 had an aggregate principal amount of indebtedness of \$1.8 billion as of October 3, 2011, the acquisition date.

**Optional Redemption**

Transocean Inc. may redeem all or part of any series of the notes at any time prior to maturity at a price equal to 100% of the principal amount of the notes being redeemed plus accrued and unpaid interest and a "make-whole premium," as described under "Description of the Notes and Guarantees Optional Redemption."

**Certain Covenants**

The indenture relating to the notes contains limitations on Transocean Inc.'s ability to incur debt secured by specified liens, to engage in sale/leaseback transactions and to engage in specified merger, consolidation, scheme of arrangement or reorganization transactions.

**No Listing of the Notes**

Transocean Inc. does not intend to apply to list the notes on any securities exchange or include them in any automated quotation system.

**Additional Notes**

Transocean Inc. may, from time to time, without giving notice to or seeking the consent of the existing holders of the notes, issue additional notes having the same ranking, interest rate, maturity and other terms as notes issued in this offering. Any additional notes having such similar terms together with the previously issued notes will constitute a single series of debt securities under the indenture.



Table of Contents

**Use of Proceeds**

Transocean Inc. intends to use approximately \$659 million of the estimated \$ of net proceeds from this offering to fund (after application of the proceeds of the Equity Offering) the expected repurchase of its Series B Convertible Senior Notes that holders of the Series B Convertible Senior Notes may require it to repurchase in December 2011. In addition, Transocean Inc. intends to use a portion of the net proceeds from this offering to refinance all commercial paper notes outstanding under its commercial paper program, which is supported by the Credit Facility (the "Commercial Paper Facility"), as they come due. Transocean Inc. intends to use the remainder, if any, of such net proceeds for general corporate purposes in its operations including but not limited to capital expenditures, acquisitions or repayment or refinancing of debt. Pending application of the net proceeds from the sale of the notes, Transocean Inc. intends to invest such proceeds in cash or cash equivalents. See "Use of Proceeds."

**Form of the Notes**

The notes will be evidenced by one or more global notes deposited with the trustee as custodian for The Depository Trust Company ("DTC"). The global notes will be registered in the name of Cede & Co., as DTC's nominee.

**Risk Factors**

Transocean Inc. and Transocean Ltd. urge you to consider carefully the risks described in "Risk Factors" beginning on page S-7 of this prospectus supplement, and on page 3 of the accompanying prospectus and in Transocean Ltd.'s SEC filings, which are included or incorporated by reference in this prospectus supplement or the accompanying prospectus, before making an investment decision.

**Governing Law**

State of New York.

Table of Contents

**RISK FACTORS**

*In considering whether to purchase the notes, you should consider carefully the following matters and those described under "Risk Factors" in the accompanying prospectus, in addition to the other information included or incorporated by reference in this prospectus supplement and the accompanying prospectus.*

**Risks Related to Our Business**

Investment in the notes involves various risks. In making an investment decision, you should carefully consider the risks and uncertainties described under the heading "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2010 and our Quarterly Reports on Form 10-Q for the periods ended March 31, 2011, June 30, 2011 and September 30, 2011 that are incorporated herein by reference and any future filings made by Transocean Ltd. pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act, prior to the termination of this offering as well as the risk factors below.

**Risks Related to the Notes**

**The notes are obligations exclusively of Transocean Inc. and Transocean Ltd., as guarantor, and not of Transocean Inc.'s subsidiaries or Transocean Ltd.'s other subsidiaries, and payments to holders of the notes will be effectively subordinated to the claims of such subsidiaries' creditors.**

The notes are obligations exclusively of Transocean Inc. and Transocean Ltd., as guarantor of the notes, and not of Transocean Inc.'s subsidiaries or Transocean Ltd.'s other subsidiaries. Each of Transocean Inc. and Transocean Ltd. is a holding company and, accordingly, substantially all of their respective operations are conducted through their subsidiaries. As a result, Transocean Inc.'s and Transocean Ltd.'s cash flow and Transocean Inc.'s ability to service its debt, including the notes, and Transocean Ltd.'s ability to satisfy its guarantee obligations are dependent upon the earnings of their respective subsidiaries and on the distribution of earnings, loans or other payments by such subsidiaries to Transocean Inc. and Transocean Ltd. The subsidiaries of Transocean Ltd. are separate and distinct legal entities and have no obligation, contingent or otherwise, to pay any amounts due on the notes or to make funds available to them to do so. In addition, contractual provisions or laws, as well as such subsidiaries' financial condition and operating requirements, may limit Transocean Inc.'s or Transocean Ltd.'s ability to obtain from such subsidiaries the cash each needs to pay its respective debt service or guarantee obligations, including payments on or with respect to the notes. Transocean Inc., Transocean Ltd. and their respective subsidiaries will be permitted under the terms of the indenture governing the notes to incur additional indebtedness or otherwise enter into agreements that may restrict or prohibit subsidiaries of Transocean Inc. or Transocean Ltd. from the making of distributions, the payment of dividends or the making of loans to Transocean Inc. or Transocean Ltd. Transocean Inc. and Transocean Ltd. cannot assure you that the agreements governing the current and future indebtedness of their respective subsidiaries or other agreements of Transocean Inc., Transocean Ltd. or their respective subsidiaries will permit such subsidiaries to provide Transocean Inc. or Transocean Ltd. with sufficient dividends, distributions or loans to fund payments on the notes when due or, in the case of Transocean Ltd., to satisfy any guarantee obligations. We have agreed to provide the U.S. Department of Justice reasonable prior notice before making substantial cash payments out of certain of our U.S. subsidiaries, other than in the ordinary course of business. In addition, holders of the notes will have a junior position to the claims of creditors and securityholders of our subsidiaries on their assets and earnings, including claims and potential claims against our subsidiaries relating to the Macondo well incident. In addition, the indenture allows Transocean Inc. and Transocean Ltd. to create new subsidiaries and invest in their subsidiaries, all of whose assets you will not have any claim against. As of September 30, 2011, Transocean Inc.'s subsidiaries and consolidated variable interest entities had outstanding approximately \$2.1 billion of indebtedness, excluding intercompany indebtedness. A subsidiary of Transocean Services AS that was acquired subsequent to September 30, 2011 had aggregate indebtedness of \$1.8 billion as of October 3, 2011, the acquisition date.

Table of Contents

**Payments on the notes, including under the guarantees, will be effectively subordinated to claims of secured creditors.**

The notes represent unsecured obligations of Transocean Inc. Accordingly, any secured creditor of Transocean Inc. will have claims that are superior to your claims as holders of the notes to the extent of the value of the assets securing that other indebtedness. Similarly, the guarantees of the notes will not be secured by any assets of Transocean Ltd. and will effectively rank junior to any secured debt of Transocean Ltd., as the guarantor, to the extent of the value of the assets securing the debt. In the event of any distribution or payment of assets of Transocean Inc. or Transocean Ltd. in any foreclosure, dissolution, winding-up, liquidation, reorganization, bankruptcy or similar proceeding, secured creditors of Transocean Inc. and Transocean Ltd., respectively, will have a superior claim to their respective collateral. If any of the foregoing events occur, we cannot assure you that there will be sufficient assets to pay amounts due on the notes or with respect to any guarantee. Holders of the notes will participate ratably with all holders of unsecured senior indebtedness of Transocean Inc. and Transocean Ltd., and with all of Transocean Inc.'s and Transocean Ltd.'s other general senior creditors, based upon the respective amounts owed to each holder or creditor, in the remaining assets of Transocean Inc. and Transocean Ltd. As a result, holders of notes may receive less, ratably, than secured creditors of Transocean Inc. and Transocean Ltd. The terms of the indenture limit Transocean Inc.'s ability to create, assume or allow to exist any debt secured by a lien upon the drilling rigs or drillships of Transocean Inc. However, these limitations are subject to numerous exceptions. See "Description of the Notes and Guarantees Certain Covenants." In addition, the terms of the indenture do not limit Transocean Ltd.'s ability to create, assume or allow to exist any liens on assets of Transocean Ltd. to secure any debt. As of September 30, 2011, Transocean Ltd. and Transocean Inc. had no outstanding secured debt, and Transocean Inc.'s consolidated variable interest entities had aggregate secured debt obligations of \$693 million. A subsidiary of Transocean Services AS that was acquired subsequent to September 30, 2011 had outstanding secured debt obligations of an aggregate of \$1.7 billion as of October 3, 2011, the acquisition date.

**No market currently exists for the notes, and an active trading market for the notes may not develop.**

Each series of the notes comprises a new issue of securities for which there is currently no public market. If the notes are traded after their initial issuance, they may trade at a discount from their initial public offering price, depending on prevailing interest rates, the market for similar securities, the interest of securities dealers in making a market and the number of available buyers, our performance and financial condition and other factors. To the extent that an active trading market for the notes does not develop, the liquidity and trading prices for the notes may be harmed. Thus, you may not be able to liquidate your investment rapidly, or at all.

**We could enter into various transactions that could increase the amount of our outstanding debt, adversely affect our capital structure or credit ratings or otherwise adversely affect holders of the notes.**

The terms of the notes do not prevent us from incurring indebtedness, paying dividends and other distributions, repurchasing securities or entering into a variety of acquisition, change-of-control, refinancing, recapitalization or other highly leveraged transactions. As a result, we could enter into a variety of transactions that could increase the total amount of our outstanding indebtedness, adversely affect our capital structure or credit ratings or otherwise adversely affect the holders of the notes. Standard & Poor's and Fitch Ratings each recently downgraded their ratings of our senior unsecured debt with a negative outlook. In addition, Moody's Investors Service recently placed our credit rating on review for possible downgrade. We cannot assure you that our credit ratings will not be downgraded in the future. A negative change in our credit ratings could have an adverse effect on the trading price of the notes. See "Risk Factors Our overall debt level and/or market conditions could lead the credit

Table of Contents

rating agencies to lower our corporate credit ratings below current levels and possibly below investment grade" in the accompanying prospectus.

**To service our indebtedness, we will use a significant amount of cash. Our ability to generate cash to service our indebtedness depends on many factors beyond our control.**

Our ability to make payments on our indebtedness, including the notes, and to fund planned capital expenditures will depend on our ability to generate cash in the future. This ability, to a certain extent, is subject to general economic, financial, competitive, legislative, regulatory and other factors that are beyond our control, and the costs and liabilities associated with the Macondo well incident. We cannot assure you that cash flow generated from our business will be sufficient to enable us to pay our indebtedness, including the notes, and to fund our other liquidity needs or that other sources of cash, including future borrowings by us under our existing revolving credit facility, will be available to us on attractive terms or at all to provide any required liquidity.

Table of Contents

**USE OF PROCEEDS**

The net proceeds to Transocean Inc. from this offering, after deducting underwriting discounts and estimated offering expenses, are estimated to be approximately \$ . Transocean Inc. intends to use approximately \$659 million of the net proceeds from this offering together with the net proceeds from the Equity Offering to fund the expected repurchase of its Series B Convertible Senior Notes that holders of the Series B Convertible Senior Notes may require it to repurchase in December 2011. As of September 30, 2011, the aggregate principal amount of Series B Convertible Senior Notes outstanding was \$1.7 billion. This offering and the Equity Offering are not contingent upon each other. In addition, Transocean Inc. intends to use approximately \$79 million of the net proceeds from this offering to refinance all commercial paper notes outstanding under the Commercial Paper Facility as they come due. Transocean Inc. intends to use the remainder, if any, of such net proceeds for general corporate purposes in its operations including but not limited to capital expenditures, acquisitions or repayment or refinancing of debt. Pending application of the net proceeds from the sale of the notes, Transocean Inc. intends to invest such proceeds in cash and cash equivalents.

The Series B Convertible Senior Notes will mature on December 15, 2037. Holders of Series B Convertible Senior Notes will have the right to require Transocean Inc. to repurchase their notes on December 15, 2011. In light of current market conditions, we currently anticipate substantially all of such notes will be submitted for repurchase as of such date.

At November 25, 2011, \$79 million in commercial paper was outstanding under the Commercial Paper Facility at a weighted-average interest rate of 0.9 percent, including commissions.

Table of Contents**RATIO OF EARNINGS TO FIXED CHARGES**

The following table presents our historical ratio of earnings to fixed charges for the nine-month period ended September 30, 2011 and for each of the years in the five-year period ended December 31, 2010. In 2011, in connection with our efforts to dispose of non-strategic assets, we sold the subsidiary that owns the High-Specification Jackup *Trident 20*, located in the Caspian Sea, and we engaged an unaffiliated advisor to coordinate the sale of the assets of our oil and gas properties operating segment. As a result, we reclassified the operating results of these components of our contract drilling services segment and our other operations segment to discontinued operations beginning with the Quarterly Report on Form 10-Q for the period ended March 31, 2011. The historical ratios of earnings to fixed charges for each of the years in the five-year period ended December 31, 2010 have not been restated to reflect the operating results of our Caspian Sea and oil and gas operations as discontinued operations.

	Nine months ended		Years ended December 31,			
	September 30, 2011	2010	2009	2008	2007	2006
<b>Historical ratio of earnings to fixed charges</b>	2.01x	2.77x	6.36x	6.67x	12.95x	12.28x

We have computed the ratios of earnings to fixed charges shown above by dividing earnings by fixed charges. For this purpose, "earnings" is the amount resulting from adding (a) income from continuing operations before income tax expense, (b) fixed charges, (c) amortization of capitalized interest, and (d) distributed earnings of unconsolidated affiliates; and then subtracting (1) capitalized interest, (2) equity in earnings or losses of unconsolidated affiliates, and (3) the noncontrolling interest in pre-tax income of subsidiaries that have not incurred fixed charges. "Fixed charges" is the amount resulting from adding (a) interest expense, (b) amortization of debt discount or premium, (c) capitalized interest and (d) an estimate of the interest component of rent expense. Interest expense excludes interest on unrecognized tax benefits related to uncertain tax positions, as such amounts are recognized in income tax expense and are immaterial.

Our ratios of earnings to fixed charges and preferred stock dividends for the nine-month period ended September 30, 2011 and for each of the years in the five-year period ended December 31, 2010 are the same as the ratios of earnings to fixed charges because we had no preferred stock outstanding for any of the periods presented.

Table of Contents

**CAPITALIZATION**

The following table sets forth our capitalization as of September 30, 2011, on an actual basis and on an as adjusted basis to give effect to the completion of this offering and the Equity Offering and the application of the net proceeds of this offering and the Equity Offering as described under "Use of Proceeds", as well as the anticipated repurchase of all outstanding Series B Convertible Senior Notes and the refinancing of all commercial paper notes outstanding under the Commercial Paper Facility. This offering and the Equity Offering are not contingent upon each other. The carrying amounts of our debt are presented net of unamortized discounts, premiums and fair value adjustments.

You should read this table in conjunction with the sections entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in Transocean Ltd.'s Annual Report on Form 10-K for the year ended December 31, 2010 and in its Quarterly Report on Form 10-Q for the quarter ended September 30, 2011 and its consolidated financial statements and related notes incorporated by reference in this prospectus supplement.