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TRANSOCEAN INC
Form 8-K
August 16, 2002

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (date of earliest event reported): August 16, 2002

TRANSOCEAN INC.

(Exact name of registrant as specified in its charter)

| | | |
|---|-----------------------------|---|
| CAYMAN ISLANDS | 333-75899 | 66-0587307 |
| (State or other jurisdiction of incorporation or organization) | (Commission File Number) | (I.R.S. Employer Identification No.) |

4 GREENWAY PLAZA
HOUSTON, TEXAS 77046
(Address of principal executive offices and zip code)

Registrant's telephone number, including area code: (713) 232-7500

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ITEM 9. REGULATION FD DISCLOSURE.

In accordance with Regulation FD, the information set forth below is being furnished in connection with presentations being made by officers of Transocean Inc. (the "Company"). The information in Item 9 of this report is being furnished, not filed. Accordingly, the information in Item 9 of this report will not be incorporated by reference into any registration statement filed by the Company under the Securities Act of 1933, as amended, unless specifically identified therein as being incorporated therein by reference.

The Company's view of the current trends for the demand for the Company's deepwater, midwater and jackup rigs in stated market sectors and the Company's view of whether it believes an oversupply or undersupply of such rigs exists in a particular market sector is set forth below:

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| SECTOR | DEEPWATER RIGS | MIDWATER RIGS | JACKUP RIGS |
|----------------|-----------------------------|----------------------------|-----------------------------|
| Gulf of Mexico | Flat with Oversupply | Flat with Oversupply | Increasing with Oversupply |
| Brazil | Flat | Flat | Flat |
| North Sea | Flat | Decreasing with Oversupply | Decreasing with Oversupply |
| Mediterranean | Flat with Oversupply | Flat with Oversupply | N/A |
| West Africa | Increasing | Flat with Oversupply | Increasing with Undersupply |
| Middle East | N/A | N/A | Flat with Oversupply |
| India | Increasing with Undersupply | N/A | Increasing with Undersupply |
| Southeast Asia | Increasing with Undersupply | Flat with Oversupply | Increasing with Undersupply |

As of July 31, 2002, approximately 70 percent and 34 percent of the Company's International and U.S. Floater Contract Drilling Services segment fleet days were committed for the remainder of 2002 and for the year 2003, respectively. As of July 31, 2002, approximately 47 percent and 21 percent of the Company's total marine fleet days were committed for the remainder of 2002 and for the year 2003, respectively. As of July 31, 2002, a \$5,000 change in the dayrate assumption associated with uncommitted fleet days in 2003 equates to an estimated \$0.58 change in earnings per share.

The unaudited operating revenues, field operating profit and operating margin for the first six months of 2002 by business segment (International and U.S. Floater Contract Drilling Services and Gulf of Mexico Shallow and Inland Water) and, for the International

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and U.S. Floater Contract Drilling Services segment, broken down by operating region are as follows:

| | (IN MILLIONS, EXCEPT % CHANGE) | | | | | | | MIDDLE EAST | TOTAL INT'L & U.S. FLOATER |
|------------------------|--------------------------------|--------|--------|--------|--------|--------|--------|-------------|----------------------------|
| | NORTH AMERICA | AFRICA | BRAZIL | UK | NORWAY | ASIA | | | |
| OPERATING REVENUES | \$ 329 | \$ 246 | \$ 130 | \$ 180 | \$ 87 | \$ 138 | \$ 120 | \$ 1,232 | |
| FIELD OPERATING PROFIT | \$ 199 | \$ 116 | \$ 44 | \$ 101 | \$ 35 | \$ 74 | \$ 39 | \$ 584 | |
| OPERATING MARGIN | 60% | 47% | 34% | 56% | 40% | 54% | 33% | 47% | |

The Company's estimated capital expenditures are \$160 to \$200 million for 2002 and \$200 million for each of 2003 and 2004.

The statements described in this report that are not historical facts are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Statements

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to the effect that the Company or management "anticipates," "believes," "budgets," "estimates," "expects," "forecasts," "intends," "plans," "predicts," or "projects" a particular result or course of events, or that such result or course of events "could," "might," "may" or "should" occur, and similar expressions, are also intended to identify forward-looking statements. Forward-looking statements described above include, but are not limited to, rig demand, changes to earnings per share resulting from a change in dayrate assumption and expected capital expenditures. Such statements are subject to numerous risks, uncertainties and assumptions, including but not limited to, uncertainties relating to the level of activity in offshore oil and gas exploration and development, exploration success by producers, oil and gas prices, demand for offshore and inland water rigs, competition and market conditions in the contract drilling industry, the Company's ability to successfully integrate the operations of acquired businesses, possible delay or cancellation of drilling contracts, work stoppages, the Company's ability to enter into and the terms of future contracts, the availability of qualified personnel, labor relations and the outcome of negotiations with unions representing workers, operating hazards, political and other uncertainties inherent in non-U.S. operations (including exchange and currency fluctuations), war, terrorism and cancellation or unavailability of insurance coverage, the impact of governmental laws and regulations, the adequacy of sources of liquidity, the effect of litigation and contingencies and other factors discussed in the Company's Form 10-Q for the quarter ended June 30, 2002, Form 10-K for the year ended December 31, 2001 and in the Company's other filings with the SEC, which are available free of charge on the SEC's website at www.sec.gov. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those indicated. You should not place undue reliance on forward-looking statements. Each forward-looking statement speaks only as of the date of the particular statement, and we undertake no obligation to publicly update or revise any forward-looking statements.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

TRANSOCEAN INC.

Date: August 16, 2002

By: /s/ Eric B. Brown

Eric B. Brown
Senior Vice President, General
Counsel and Corporate Secretary

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