



Diamond Offshore Drilling Inc. Redeems 3-3/4% Convertible Subordinated Notes Due 2007

April 6, 2001

HOUSTON--(BUSINESS WIRE)--April 6, 2001--Diamond Offshore Drilling Inc. (NYSE:DO) today announced that it has redeemed all of its outstanding 3-3/4% Convertible Subordinated Notes Due 2007 pursuant to a Notice of Redemption issued March 7, 2001, in accordance with the Indenture under which the Notes were issued.

\$400,000,000 principal amount of the Convertible Subordinated Notes were issued in February 1997. \$12,437,000 principal amount of the Notes were converted into 307,071 shares of Diamond Offshore common stock at the stated conversion price of \$40.50 per share. The remaining \$387,563,000 principal amount of the Notes were redeemed at 102.08% of the principal amount thereof plus accrued interest for a total cash payment of \$397,683,238.

Diamond Offshore is a leader in deep water drilling. The Company's fleet of 45 offshore drilling rigs consists of 30 semisubmersibles, 14 jack-ups and one drillship. The fleet operates in the waters of six of the world's seven continents.

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KEYWORD: TEXAS
INDUSTRY KEYWORD: ENERGY OIL/GAS