



Diamond Offshore Announces Drilling Contract for Semisubmersible Ocean Baroness

March 5, 2003

HOUSTON--(BUSINESS WIRE)--March 5, 2003--Diamond Offshore Drilling Inc. (NYSE:DO) today announced that it has entered into a drilling contract with Unocal Indonesia Company for the semisubmersible Ocean Baroness offshore Indonesia.

Subject to final Indonesian government approvals, the Ocean Baroness is scheduled to commence operations under this contract upon completion of shipyard modifications. These modifications are designed to permit surface stack operations and are currently taking place in a Singapore shipyard. The estimated term of the drilling program is 400 days and is expected to generate revenues of approximately \$44 million.

The Ocean Baroness is a fifth-generation semisubmersible drilling rig, and one of the Company's signature Victory-class upgrades, designed for self-contained mooring operations in up to 7,000 feet of water.

Diamond Offshore is a leader in deep water drilling. The Company's fleet of 46 offshore drilling rigs currently consists of 31 semisubmersibles, 14 jack-ups and one drillship. The fleet operates in the waters of six of the world's seven continents.

Statements in this press release that contain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, include, but are not limited to, statements concerning the future revenues expected to be generated by the Ocean Baroness, the anticipated term of the drilling program, the surface stack modifications to the rig and contract commencement dates. Such statements are inherently subject to a variety of risks and uncertainties that could cause actual results to differ materially from those anticipated or projected. A discussion of the risk factors that could impact these areas and the Company's overall business and financial performance can be found in the Company's filings with the Securities and Exchange Commission. These factors include, among others, general economic and business conditions, casualty losses, industry fleet capacity, changes in foreign and domestic oil and gas exploration and production activity, competition, changes in foreign, political, social and economic conditions, regulatory initiatives and compliance with governmental regulations, customer preferences and various other matters, many of which are beyond the Company's control. Given these concerns, investors and analysts should not place undue reliance on forward-looking statements. Each forward-looking statement speaks only as of the date of this press release, and the Company undertakes no obligation to publicly update or revise any forward-looking statements.

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