

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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): JULY 17, 2003

DIAMOND OFFSHORE DRILLING, INC.

(Exact Name of Registrant as Specified in Charter)

DELAWARE	1-13926	76-0321760
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)

15415 KATY FREEWAY
HOUSTON, TEXAS 77094

(Address of Principal Executive Offices and Zip Code)

Registrant's telephone number, including area code: (281) 492-5300

NOT APPLICABLE

(Former name or former address, if changed since last report)

INFORMATION TO BE INCLUDED IN THE REPORT

ITEM 7. FINANCIAL STATEMENTS, PRO FORMA FINANCIAL INFORMATION AND EXHIBITS

(c) Exhibits.

Exhibit number -----	Description -----
99.1	Press release dated July 17, 2003

ITEM 9. REGULATION FD DISCLOSURE

The following disclosure is being furnished pursuant to Item 12
("Results of Operations and Financial Condition") of Form 8-K.

The information set forth in the press release issued by Diamond
Offshore Drilling, Inc. announcing financial results for the fiscal quarter
ended June 30, 2003, attached hereto as Exhibit 99.1, is incorporated herein by
reference.

SIGNATURES

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

DIAMOND OFFSHORE DRILLING, INC.

By: /s/ William C. Long

William C. Long
Vice President, General Counsel &
Secretary

Dated: July 17, 2003

EXHIBIT INDEX

Exhibit number -----	Description -----
99.1	Press release dated July 17, 2003

FOR IMMEDIATE RELEASE
JULY 17, 2003

CONTACT: LES VAN DYKE
DIRECTOR, INVESTOR RELATIONS
(281) 492-5370

DIAMOND OFFSHORE DRILLING, INC. ANNOUNCES
SECOND QUARTER 2003 RESULTS

Houston, Texas, July 17, 2003 -- Diamond Offshore Drilling, Inc. (NYSE:DO) today reported a net loss for the second quarter of 2003 of \$16.7 million, or \$0.13 per share on a diluted basis, compared with net income of \$12.0 million, or \$0.09 per share on a diluted basis in the same period a year earlier. Revenues for the second quarter of 2003 were \$163.2 million, compared with revenues of \$187.8 million for the second quarter of 2002.

The second quarter results reflect an increase in the estimated asset lives and salvage values of the Company's drilling rigs to better reflect their remaining economic lives. The effect of these changes in accounting estimates was an increase in pre-tax income for the quarter of approximately \$6.9 million, or \$0.04 per diluted share. The change is expected to increase pre-tax income for the year 2003 by approximately \$21.7 million, or \$0.14 per share. The Company made this determination by comparing its asset life and salvage value assumptions with its own and industry operating experience and making appropriate adjustments. Diamond Offshore last revised the asset life and salvage value assumptions of its fleet in 1995.

Diamond Offshore is a leader in deep water drilling. The Company's fleet of 47 offshore drilling rigs consists of 32 semisubmersibles, 14 jack-ups and one drillship. The fleet operates in the waters of six of the world's seven continents.

As previously announced, Diamond Offshore will provide an online, real-time simulcast and rebroadcast of its 2003 second quarter earnings release conference call. The live broadcast of the Diamond Offshore Drilling, Inc. quarterly conference call will be available online at www.diamondoffshore.com on July 17, 2003, beginning at 9:00 a.m. Central Daylight Time. The online replay will follow immediately and continue for 5 days after the original call. Please go to the web site at least 15 minutes before the broadcast to register, download and install any necessary audio software.

Statements in this press release may 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. Such statements include, but are not limited to, statements concerning the effects of the change in accounting estimates. 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 reports and other 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. The Company expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement to reflect any change in the Company's expectations with regard thereto or any change in events, conditions or circumstances on which any forward-looking statement is based.

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DIAMOND OFFSHORE DRILLING, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)
(In thousands, except per share data)

	THREE MONTHS ENDED JUNE 30,		SIX MONTHS ENDED JUNE 30,	
	2003	2002	2003	2002
REVENUES:				
Contract drilling.....	\$ 157,038	\$ 179,674	\$ 296,897	\$ 373,342
Revenues related to reimbursable expenses.....	6,162	8,113	12,452	15,995
Total revenues.....	163,200	187,787	309,349	389,337
OPERATING EXPENSES:				
Contract drilling.....	124,606	120,254	238,276	241,200
Reimbursable expenses.....	5,525	7,343	11,263	14,555
Depreciation(1).....	41,553	44,585	88,830	87,282
General and administrative.....	8,214	7,440	15,414	14,088
Gain on sale of assets.....	(57)	(33)	(58)	(65)
Total operating expenses.....	179,841	179,589	353,725	357,060
OPERATING INCOME (LOSS).....	(16,641)	8,198	(44,376)	32,277
OTHER INCOME (EXPENSE):				
Interest income.....	3,337	7,651	7,493	17,232
Interest expense.....	(5,378)	(6,290)	(10,953)	(11,760)
Gain (loss) on sale of marketable securities.....	(1,071)	8,671	(1,132)	12,163
Other, net.....	1,290	341	3,032	1,161
INCOME (LOSS) BEFORE INCOME TAX EXPENSE.....	(18,463)	18,571	(45,936)	51,073
INCOME TAX BENEFIT (EXPENSE).....	1,776	(6,609)	7,683	(16,553)
NET INCOME (LOSS).....	\$ (16,687)	\$ 11,962	\$ (38,253)	\$ 34,520
EARNINGS (LOSS) PER SHARE:				
BASIC.....	\$ (0.13)	\$ 0.09	\$ (0.29)	\$ 0.26
DILUTED.....	\$ (0.13)	\$ 0.09	\$ (0.29)	\$ 0.26
WEIGHTED AVERAGE SHARES OUTSTANDING:				
Shares of common stock.....	130,366	131,553	130,336	131,669
Dilutive potential shares of common stock.....	-	8	-	9,426
Total weighted average shares outstanding...	130,366	131,561	130,336	141,095

(1) Depreciation for the three and six months ended June 30, 2003, includes a \$6.9 million reduction due to a change in accounting estimates that increased the estimated asset lives and salvage values of the Company's drilling rigs.

DIAMOND OFFSHORE DRILLING, INC. AND SUBSIDIARIES

RESULTS OF OPERATIONS

(Unaudited)
(In thousands)

	THREE MONTHS ENDED JUNE 30,	
	2003	2002
CONTRACT DRILLING REVENUE		
High Specification Floaters.....	\$ 72,660	\$ 75,748
Other Semisubmersibles.....	61,265	73,977
Jack-ups.....	23,116	26,839
Integrated Services.....	--	4,406
Other.....	(3)	(436)
Eliminations.....	--	(860)
TOTAL CONTRACT DRILLING REVENUE.....	\$157,038	\$179,674
REVENUES RELATED TO REIMBURSABLE EXPENSES.....	\$ 6,162	\$ 8,113
CONTRACT DRILLING EXPENSE		
High Specification Floaters.....	\$ 38,555	\$ 39,545
Other Semisubmersibles.....	57,810	53,445
Jack-ups.....	27,012	22,735
Integrated Services.....	841	4,689
Other.....	388	700
Eliminations.....	--	(860)
TOTAL CONTRACT DRILLING EXPENSE.....	\$124,606	\$120,254
REIMBURSABLE EXPENSES.....	\$ 5,525	\$ 7,343
OPERATING INCOME		
High Specification Floaters.....	\$ 34,105	\$ 36,203
Other Semisubmersibles.....	3,455	20,532
Jack-ups.....	(3,896)	4,104
Integrated Services.....	(841)	(283)
Other.....	(391)	(1,136)
Reimbursables, net.....	637	770
Depreciation Expense.....	(41,553)	(44,585)
General and Administrative Expense.....	(8,214)	(7,440)
Gain on Sale of Assets.....	57	33
TOTAL OPERATING INCOME (LOSS).....	\$(16,641)	\$ 8,198

DIAMOND OFFSHORE DRILLING, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands)

	JUNE 30, ----- 2003 ----- (unaudited)	DECEMBER 31, ----- 2002 -----
ASSETS		
Current assets:		
Cash and cash equivalents.....	\$ 221,761	\$ 184,910
Marketable securities.....	393,124	627,614
Accounts receivable.....	151,015	146,957
Rig inventory and supplies.....	46,581	45,405
Prepaid expenses and other	25,727	28,870
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Total current assets.....	838,208	1,033,756
Drilling and other property and equipment, net of accumulated depreciation.....	2,273,081	2,164,627
Goodwill, net of accumulated amortization.....	17,908	24,714
Other assets.....	32,130	35,668
	-----	-----
Total assets.....	\$ 3,161,327	\$ 3,258,765
	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities.....	\$ 104,916	\$ 118,402
Long-term debt.....	932,170	924,475
Deferred tax liability.....	356,482	375,309
Other liabilities.....	35,454	33,065
Stockholders' equity.....	1,732,305	1,807,514
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Total liabilities and stockholders' equity.....	\$ 3,161,327	\$ 3,258,765
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DIAMOND OFFSHORE DRILLING, INC. AND SUBSIDIARIES

AVERAGE DAYRATES AND UTILIZATION

	SECOND QUARTER 2003		FIRST QUARTER 2003		SECOND QUARTER 2002	
	DAYRATE	UTILIZATION	DAYRATE	UTILIZATION	DAYRATE	UTILIZATION
	(Dayrate in thousands)					
HIGH SPECIFICATION FLOATERS	\$96	92%	\$94	83%	\$115	80%
OTHER SEMISUBMERSIBLES	\$58	52%	\$62	43%	\$72	54%
JACK-UPS	\$27	68%	\$28	68%	\$29	74%