

DIAMOND OFFSHORE DRILLING INC  
Form FWP  
October 05, 2009

Filed Pursuant to Rule 433  
Registration No. 333-157865  
October 5, 2009

Diamond Offshore Drilling, Inc.  
Pricing Term Sheet

|                               |   |
|-------------------------------|---|
| Issuer:                       | Diamond Offshore Drilling, Inc.   |
| Size:                         | \$500,000,000   |
| Maturity:                     | October 15, 2039  |
| Coupon:                       | 5.70%   |
| Price to Public:              | 99.344%   |
| Yield to Maturity:            | 5.746%  |
| Spread to Benchmark Treasury: | +175 basis points   |
| Benchmark Treasury:           | 4.25% due May 15, 2039  |
| Benchmark Treasury Yield:     | 3.996%  |
| Interest Payment Dates:       | April 15 and October 15, commencing April 15, 2010  |
| Make-Whole Call:              | Treasury Rate plus 30 basis points  |
| Trade Date:                   | October 5, 2009   |
| Settlement Date:              | T+3; October 8, 2009  |
| CUSIP / ISIN:                 | 25271CAL6 / US25271CAL63  |
| Ratings:*                     | Baa1 (stable outlook) / A- (stable outlook)   |
| Joint Book-Running Managers:  | Goldman, Sachs & Co.<br>J.P. Morgan Securities Inc.   |
| Co-Managers:                  | Comerica Securities<br>Fortis Securities LLC<br>HSBC Securities (USA) Inc.<br>Mitsubishi UFJ Securities (USA), Inc.<br>Mizuho Securities USA Inc.<br>UniCredit Capital Markets, Inc.<br>Wells Fargo Securities, LLC |

**\* Note: A securities rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time.**

**The issuer has filed a registration statement (including a prospectus) with the SEC for the offering to which this communication relates. Before you invest, you should read the prospectus in that registration statement and other documents the issuer has filed with the SEC for more complete information about the issuer and this offering. You may get these documents for free by visiting EDGAR on the SEC Web site at [www.sec.gov](http://www.sec.gov). Alternatively, the issuer, any underwriter or any dealer participating in the offering will arrange to send you the prospectus if you request it by calling J.P. Morgan Securities Inc. collect at 212-834-4533 or Goldman, Sachs & Co. toll-free at 1-866-471-2526.**

**Any disclaimer or other notice that may appear below is not applicable to this communication and should be disregarded. Such disclaimer or notice was automatically generated as a result of this communication being sent by Bloomberg or another email system.**