DIAMOND OFFSHORE DRILLING INC
Form 424B2
November 01, 2013
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Filed pursuant to Rule 424(b)(2)
Registration No. 333-18004

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price Per Share	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee(2)
Debt Securities	$1,000,000,000	(1)	$997,805,000	$128,517.28

(1) The 3.45% Senior Notes due 2023 have a maximum public offering price of 99.590%. The 4.875% Senior Notes due 2043 have a maximum public offering price of 99.844%.

(2) Calculated in accordance with Rule 457(r) of the Securities Act of 1933, as amended.

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Prospectus Supplement

To Prospectus dated March 9, 2012

$1,000,000,000

Diamond Offshore Drilling, Inc.

$250,000,000 3.45% Senior Notes due 2023

$750,000,000 4.875% Senior Notes due 2043

We are offering $250,000,000 aggregate principal amount of 3.45% senior notes due 2023, which we refer to as the 2023 notes, and $750,000,000 aggregate principal amount of 4.875% senior notes due 2043, which we refer to as the 2043 notes. We refer to the 2023 notes and the 2043 notes collectively as the notes.

The 2023 notes will bear interest at the rate of 3.45% per year and mature on November 1, 2023. The 2043 notes will bear interest at the rate of 4.875% per year and mature on November 1, 2043. Interest on the notes is payable on May 1 and November 1 of each year, beginning on May 1, 2014. Interest on the notes will accrue from November 5, 2013.

We may redeem some or all of the notes at any time at the applicable redemption prices described in this prospectus supplement under the caption Description of Notes Optional Redemption. In each case, we also will pay accrued and unpaid interest, if any, to, but excluding, the redemption date.

The notes will be unsecured and will rank equally with all our other existing and future unsecured and unsubordinated indebtedness.

The notes will be issued only in registered form, in denominations of $2,000 and integral multiples of $1,000 in excess thereof. The notes are a new issue of securities with no established trading market. We do not currently intend to apply for listing of the notes on any securities exchange or to be quoted on any automated quotation system.

Investing in the notes involves risks. See Risk Factors beginning on page S-9 and the information incorporated by reference in this prospectus supplement for a discussion of important factors you should consider carefully before deciding to purchase the notes.

The offering price set forth above does not include accrued interest, if any. Interest on the notes will accrue from November 5, 2013 to the date of delivery.

	Per 2023 Note	Total	Per 2043 Note	Total
Public Offering Price	99.590%(1)	$ 248,975,000	99.844%(1)	$ 748,830,000
Underwriting Discount and Commissions	0.650%	$ 1,625,000	0.875%	$ 6,562,500
Proceeds to Diamond Offshore (before expenses)	98.940%	$ 247,350,000	98.969%	$ 742,267,500

(1) Plus interest, if any, from November 5, 2013 if settlement occurs after that date.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the notes or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The underwriters expect to deliver the notes to investors on or about November 5, 2013 in book-entry form through The Depository Trust Company for the account of its participants, including Euroclear Bank S.A./N.V., as operator of the Euroclear System, and Clearstream Banking, société anonyme.

Joint Book-Running Managers

J.P. Morgan **Wells Fargo Securities**

Citigroup **HSBC** **SunTrust Robinson Humphrey**

Co-Managers

BNY Mellon Capital Markets, LLC Goldman, Sachs & Co. PNC Capital Markets LLC RBC Capital Markets

The date of this prospectus supplement is October 31, 2013

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You should read this prospectus supplement along with the accompanying prospectus carefully before you invest in the notes. These documents contain or incorporate by reference important information you should consider before making your investment decision. This prospectus supplement contains specific information about the notes being offered and the accompanying prospectus contains a general description of the notes. This prospectus supplement may add, update or change information in the accompanying prospectus. We have not, and the underwriters have not, authorized anyone else to provide any information other than that contained or incorporated by reference in this prospectus supplement and the accompanying prospectus or in any free writing prospectus prepared by or on behalf of us or to which we have referred you. Neither we nor the underwriters take responsibility for, or can provide assurance as to the reliability of, any other information that others may give you. You should not assume that the information contained in this prospectus supplement and the accompanying prospectus, as well as the information incorporated by reference, is accurate as of any date other than the date on the front cover of this prospectus supplement, or the date of such incorporated information, as applicable. Our business, financial condition, results of operations and prospects may have changed since those respective dates.

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Prospectus Supplement

Prospectus

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ABOUT THIS PROSPECTUS SUPPLEMENT

This document consists of two parts. The first part is this prospectus supplement, which describes the specific terms of the notes we are offering and certain other matters relating to our business. The second part, the accompanying base prospectus, gives more general information, some of which does not apply to the notes we are offering. Generally, when we refer to this prospectus, we are referring to both parts of this document combined, including the information incorporated by reference in the prospectus. If the description of the notes in the prospectus supplement differs from the description in the base prospectus, the description in the prospectus supplement supersedes the description in the base prospectus and you should rely on the information in this prospectus supplement.

Before purchasing any notes, you should carefully read both this prospectus supplement and the accompanying prospectus, together with the additional information described under the heading Where You Can Find More Information.

This prospectus supplement and the accompanying prospectus do not constitute an offer to sell, or the solicitation of an offer to buy, any securities other than the registered securities to which they relate, nor do this prospectus supplement and the accompanying prospectus constitute an offer to sell or a solicitation of an offer to buy these securities in any jurisdiction to any person to whom it is unlawful to make such offer or solicitation in such jurisdiction.

In this prospectus supplement and the accompanying prospectus, unless otherwise specified or the context otherwise requires, references to dollars and $ are to U.S. dollars. Unless otherwise specified or the context otherwise requires, when used in this prospectus supplement, the terms Diamond Offshore, we, our company, our and us refer to Diamond Offshore Drilling, Inc., a Delaware corporation, and its consolidated subsidiaries.

This prospectus supplement and the accompanying prospectus are based on information provided by us and by other sources that we believe are reliable. We cannot assure you that this information is accurate or complete. This prospectus supplement and the accompanying prospectus summarize certain documents and other information and we refer you to them for a more complete understanding of what we discuss in this prospectus supplement and the accompanying prospectus. In making an investment decision, you must rely on your own examination of our company and the terms of the offering and the notes, including the merits and risks involved.

We are not making any representation to any purchaser of the notes regarding the legality of an investment in the notes by such purchaser under any legal investment or similar laws or regulations. You should not consider any information in this prospectus supplement or the accompanying prospectus to be legal, business or tax advice. You should consult your own attorney, business advisor and tax advisor for legal, business and tax advice regarding an investment in the notes.

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WHERE YOU CAN FIND MORE INFORMATION

We have filed with the Securities and Exchange Commission, or the Commission, a registration statement under the Securities Act of 1933, as amended, or the Securities Act, that registers the distribution of the notes. The registration statement, including the attached exhibits, contains additional relevant information about us and the securities we may offer. The rules and regulations of the Commission allow us to omit certain information included in the registration statement from this prospectus supplement and the accompanying prospectus.

We file annual, quarterly and current reports, proxy statements and other information with the Commission. You may read and copy any reports or other information that we file with the Commission at the Commission s Public Reference Room located at 100 F Street, N.E., Washington D.C. 20549. You may also receive copies of these documents upon payment of a duplicating fee by writing to the Commission s Public Reference Room. Please call the Commission at 1-800-SEC-0330 for further information on the Public Reference Room. Our filings with the Commission are also available to the public from commercial document retrieval services, at our website (*www.diamondoffshore.com*) and at the Commission s website (*www.sec.gov*). Information on our website is not incorporated into this prospectus or our other filings with the Commission and is not a part of this prospectus or those filings.

The Commission allows us to incorporate by reference the information that we file with it into this prospectus supplement and the accompanying prospectus. This means that we can disclose important information to you by referring you to other documents filed separately with the Commission, including our annual, quarterly and current reports. The information incorporated by reference is considered to be a part of this prospectus supplement and the accompanying prospectus, except for any information that is modified or superseded by information contained in this prospectus supplement or any other subsequently filed document that is incorporated by reference into this prospectus. The information incorporated by reference is an important part of this prospectus supplement and the accompanying prospectus. All documents filed (but not those or portions thereof that are furnished) by us with the Commission pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended, or the Exchange Act, between the date of this prospectus supplement and the termination or completion of the offering of the notes will be incorporated by reference into this prospectus and will automatically update and supersede the information in this prospectus supplement, the accompanying prospectus and any previously filed document that is incorporated by reference into this prospectus.

The following documents have been filed by us with the Commission (File No. 1-13926) and are incorporated by reference into this prospectus:

- Our annual report on Form 10-K for the fiscal year ended December 31, 2012;
- Those portions of our definitive proxy statement on Schedule 14A filed on March 26, 2013 incorporated by reference into our annual report on Form 10-K for the fiscal year ended December 31, 2012;
- Our quarterly reports on Form 10-Q for our fiscal quarters ended March 31, 2013, June 30, 2013 and September 30, 2013; and

Our current reports on Form 8-K filed May 17, 2013; May 29, 2013; September 24, 2013; October 8, 2013; and October 31, 2013.

You can obtain any of the documents incorporated herein by reference from us without charge (other than exhibits unless such exhibits are specifically incorporated by reference in this prospectus supplement). You may request a copy of these filings by writing or telephoning us at the following address or telephone number:

Diamond Offshore Drilling, Inc.

15415 Katy Freeway, Suite 100

Houston, Texas 77094

Attention: Investor Relations

Telephone: (281) 492-5300

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SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

Investors are cautioned that certain statements contained or incorporated by reference in this prospectus supplement constitute forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. Forward-looking statements include, without limitation, any statement that may project, indicate or imply future results, events, performance or achievements, and may contain or be identified by the words expect, intend, plan, predict, anticipate, estimate, believe, should, could, may, might, will, will be, will conti project, forecast, budget and similar expressions. In addition, any statement concerning future financial performance (including, without limitation, future revenues, earnings or growth rates), ongoing business strategies or prospects, and possible actions taken by or against us, which may be provided by management, are also forward-looking statements as so defined. Statements that contain forward-looking statements include, but are not limited to, information concerning our possible or assumed future results of operations and statements about the following subjects:

- future market conditions and the effect of such conditions on our future results of operations;
- future uses of and requirements for financial resources;
- interest rate and foreign exchange risk;
- future contractual obligations;
- future operations outside the United States including, without limitation, our operations in Mexico, Egypt and Brazil;
- effects of the Macondo well blowout;
- business strategy;
- growth opportunities;
- competitive position;
- expected financial position;
- future cash flows and contract backlog;

future regular or special dividends;

financing plans;

market outlook;

tax planning;

debt levels and the impact of changes in the credit markets and credit ratings for our debt;

budgets for capital and other expenditures;

timing and duration of required regulatory inspections for our drilling rigs;

timing and cost of completion of rig upgrades, construction projects (including, without limitation, our four drillships under construction, our ultra-deepwater floater under construction, the *Ocean Onyx* and the *Ocean Apex*) and other capital projects (including, without limitation, the *Ocean Patriot* enhancements);

delivery dates and drilling contracts related to rig conversion or upgrade projects, construction projects, other capital projects or rig acquisitions;

plans and objectives of management;

idling drilling rigs or reactivating stacked rigs;

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assets held for sale;

asset impairment evaluations;

performance of contracts;

outcomes of legal proceedings;

compliance with applicable laws; and

availability, limits and adequacy of insurance or indemnification.

These types of statements are based on current expectations about future events and inherently are subject to a variety of assumptions, risks and uncertainties, many of which are beyond our control, that could cause actual results to differ materially from those expected, projected or expressed in forward-looking statements. These risks and uncertainties include, among others, the following:

those described under Risk Factors in Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2012 and in this prospectus supplement beginning on page S-9;

general economic and business conditions;

worldwide demand for oil and natural gas;

changes in foreign and domestic oil and gas exploration, development and production activity;

oil and natural gas price fluctuations and related market expectations;

the ability of the Organization of Petroleum Exporting Countries, commonly called OPEC, to set and maintain production levels and pricing, and the level of production in non-OPEC countries;

policies of various governments regarding exploration and development of oil and gas reserves;

our inability to obtain contracts for our rigs that do not have contracts;

the cancellation of contracts included in our reported contract backlog;

advances in exploration and development technology;

the worldwide political and military environment, including, for example, in oil-producing regions and locations where our rigs are operating or where we have rigs under construction;

casualty losses;

operating hazards inherent in drilling for oil and gas offshore;

the risk of physical damage to rigs and equipment caused by named windstorms in the U.S. Gulf of Mexico;

industry fleet capacity, including, without limitation, construction of new drilling rig capacity in Brazil;

market conditions in the offshore contract drilling industry, including, without limitation, dayrates and utilization levels;

competition;

changes in foreign, political, social and economic conditions;

risks of international operations, compliance with foreign laws and taxation policies and expropriation or nationalization of equipment and assets;

risks of potential contractual liabilities pursuant to our various drilling contracts in effect from time to time;

the ability of customers and suppliers to meet their obligations to us and our subsidiaries;

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the risk that a letter of intent may not result in a definitive agreement;

foreign exchange and currency fluctuations and regulations, and the inability to repatriate income or capital;

risks of war, military operations, other armed hostilities, terrorist acts and embargoes;

changes in offshore drilling technology, which could require significant capital expenditures in order to maintain competitiveness;

regulatory initiatives and compliance with governmental regulations including, without limitation, regulations pertaining to climate change, carbon emissions or energy use;

compliance with and liability under environmental laws and regulations;

potential changes in accounting policies by the Financial Accounting Standards Board, the Commission or regulatory agencies for our industry which may cause us to revise our financial accounting and/or disclosures in the future, and which may change the way analysts measure our business or financial performance;

development and exploitation of alternative fuels;

customer preferences;

effects of litigation, tax audits and contingencies and the impact of compliance with judicial rulings and jury verdicts;

cost, availability, limits and adequacy of insurance;

invalidity of assumptions used in the design of our controls and procedures;

the results of financing efforts;

the risk that future regular or special dividends may not be declared;

adequacy of our sources of liquidity;

risks resulting from our indebtedness;

public health threats;

negative publicity;

impairments of assets;

the availability of qualified personnel to operate and service our drilling rigs; and

various other matters, many of which are beyond our control.

The risks and uncertainties included here are not exhaustive. Other sections of this prospectus supplement and our other filings with the Commission include additional factors that could adversely affect our business, results of operations and financial performance. Given these risks and uncertainties, investors should not place undue reliance on forward-looking statements. Each forward-looking statement speaks only as of the date of the particular statement. We expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement to reflect any change in our expectations or beliefs with regard to the statement or any change in events, conditions or circumstances on which any forward-looking statement is based.

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PROSPECTUS SUPPLEMENT SUMMARY

This summary highlights selected information about our company and the offering and may not contain all of the information that is important to you. To better understand this offering, you should read this entire document carefully, as well as those additional documents to which we refer you. See Where You Can Find More Information.

About Diamond Offshore Drilling, Inc.

We are a leader in offshore drilling, providing contract drilling services to the energy industry around the globe with a fleet of 45 offshore drilling rigs, including seven rigs under construction. Our fleet consists of 33 semisubmersibles, three of which are under construction and an additional three of which are held for sale, seven jack-ups, one of which is held for sale, and five dynamically positioned drillships, four of which are under construction.

Several of our construction projects are nearing completion, and we expect delivery of our first new drillship, the *Ocean BlackHawk*, and the deepwater floater *Ocean Onyx* in the final quarter of 2013. During 2014, we expect delivery of our remaining three drillships, the *Ocean BlackHornet*, the *Ocean BlackRhino* and the *Ocean BlackLion,* in the first, second and fourth quarters, respectively, and the deepwater floater *Ocean Apex* in the third quarter of the year. Our most recently announced project, construction of the *Ocean GreatWhite*, an ultra-deepwater harsh environment semisubmersible rig, is underway and is expected to be completed in the first quarter of 2016. Construction work pursuant to the rig enhancement project for the *Ocean Patriot* is expected to commence in the final quarter of 2013.

We drill in the waters of North America, South America, Europe, Africa, Asia, the Middle East and Australia. We offer comprehensive drilling services to the global energy industry.

Our principal executive offices are located at 15415 Katy Freeway, Houston, Texas 77094, and our telephone number at that location is (281) 492-5300.

The Offering

Issuer	Diamond Offshore Drilling, Inc.
Notes offered	$250,000,000 aggregate principal amount of 3.45% Senior Notes due 2023. $750,000,000 aggregate principal amount of 4.875% Senior Notes due 2043. The 2023 notes and the 2043 notes will each constitute a new series of securities. The 2023 notes and the 2043 notes will constitute separate series under the indenture governing the notes.

Maturity date	2023 notes: November 1, 2023.
	2043 notes: November 1, 2043.
Interest rate	2023 notes: 3.45% per year.
	2043 notes: 4.875% per year.

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Interest payment dates	May 1 and November 1 of each year, beginning on May 1, 2014. Interest on the notes will accrue from November 5, 2013 or from the most recent date to which interest has been paid.
Ranking	The notes will be our unsecured and unsubordinated obligations and will rank equally in right of payment to all our existing and future unsecured and unsubordinated indebtedness. The notes will be effectively subordinated to all existing and future obligations of our subsidiaries. As of September 30, 2013, Diamond Offshore Drilling, Inc. had approximately $1.5 billion aggregate principal amount of total indebtedness outstanding. As of September 30, 2013, our subsidiaries had no third party indebtedness outstanding. See Capitalization.
Optional redemption	We may redeem some or all of the 2023 notes at any time prior to August 1, 2023 at the make-whole redemption price discussed under the caption Description of Notes Optional Redemption. We may redeem some or all of the 2023 notes at any time on or after August 1, 2023 at a price equal to 100% of the principal amount of the 2023 notes being redeemed. We may redeem some or all of the 2043 notes at any time prior to May 1, 2043 at the make-whole redemption price discussed under the caption Description of Notes Optional Redemption. We may redeem some or all of the 2043 notes at any time on or after May 1, 2043 at a price equal to 100% of the principal amount of the 2043 notes being redeemed. In each case, we also will pay accrued and unpaid interest, if any, to, but excluding, the redemption date. For a more complete description of the optional redemption provisions of the notes, please read Description of Notes Optional Redemption.
Certain covenants	The indenture governing the notes will contain covenants that limit, among other things, subject to certain exceptions, our ability to: consolidate with or merge into another entity or convey or transfer our properties and assets substantially as a whole; create liens; and

enter into a sale and lease-back transaction covering any drilling rig or drillship.

See Description of Notes Limitation on Merger, Consolidation and Certain Sale of Assets and Description of Notes Certain Covenants of the Company.

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	The indenture does not limit the amount of unsecured debt that we or our subsidiaries may incur.
Form and denomination	The notes will be issued in fully registered form in denominations of $2,000 and integral multiples of $1,000 in excess thereof.
Further issues	We may from time to time, without the consent of the holders of the notes, issue additional debt securities having the same ranking and the same interest rate, maturity and other terms as the notes of either series offered hereby, except for the issue date and offering price and, in some cases, the first interest payment date. See Description of Notes Further Issues.
Use of proceeds	We expect to use the net proceeds of this offering for general corporate purposes, including the redemption, repurchase or retirement of our 5.15% senior notes due September 1, 2014 and our 4.875% senior notes due July 1, 2015. See Use of Proceeds.
Risk factors	You should carefully consider the specific factors set forth under Risk Factors, beginning on page S-9 of this prospectus supplement as well as the other information and data included elsewhere or incorporated by reference in this prospectus supplement and the accompanying prospectus, before making an investment decision.
Governing law	The indenture and the notes will be governed by, and construed in accordance with, the laws of the State of New York.
Trustee	The Bank of New York Mellon.

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RISK FACTORS

An investment in the notes involves risks. Before making a decision to purchase the notes, and in consultation with your own financial and legal advisors, you should consider carefully the following matters, in addition to the other information included elsewhere or incorporated by reference in this prospectus supplement and the accompanying prospectus, including under the heading Risk Factors in our Annual Report on Form 10-K for the fiscal year ended December 31, 2012.

Risks Relating to the Offering

Our holding company structure results in substantial structural subordination and may affect our ability to make payments on the notes.

The notes are obligations exclusively of Diamond Offshore Drilling, Inc. We are a holding company, and substantially all operations are conducted by our subsidiaries. As a result, our cash flow and our ability to service our debt, including the notes, is dependent upon the earnings of our subsidiaries. In addition, our ability to service our debt is dependent on the distribution of earnings, loans or other payments by our subsidiaries to us.

Our subsidiaries are separate and distinct legal entities. Our subsidiaries have no obligation to pay any amounts due on the notes or to provide us with funds for our payment obligations, whether by dividends, distributions, loans or other payments. In addition, any payment of dividends, distributions, loans or advances by our subsidiaries to us could be subject to statutory or contractual restrictions. Payments to us by our subsidiaries will also be contingent upon their earnings, cash flows and business considerations.

Our right to receive any assets of any of our subsidiaries upon their liquidation or reorganization, and therefore the right of the holders of the notes to participate in the profits or a distribution of those assets, will be effectively subordinated to the claims of that subsidiary s creditors, including trade creditors. In addition, even if we were a creditor of any of our subsidiaries, our rights as a creditor would be subordinate to any security interest in the assets of our subsidiaries and any indebtedness of our subsidiaries senior to that held by us.

There is currently no trading market for either series of the notes and an active trading market for the notes of either or both series may not develop.

Each series of the notes is a new issue of securities with no established trading market, and we do not intend to list either series on any securities exchange or automated quotation system. As a result, an active trading market for the notes of either or both series may not develop, or if one does develop, it may not be sustained. If an active trading market fails to develop or cannot be sustained, you may not be able to resell your notes at their fair market value or at all.

Our debt agreements allow us to incur significantly more debt, which, if incurred, could exacerbate the other risks described in this prospectus supplement.

The terms of our debt instruments permit us to incur additional indebtedness. The incurrence of such debt may be necessary to comply with regulatory obligations to maintain our assets, to satisfy regulatory service obligations, to adequately respond to competition or for financial reasons alone. Incremental borrowings or borrowings at maturities that impose additional financial risks to our various efforts to improve our financial condition and results of operations would exacerbate the other risks described in this prospectus supplement and the documents incorporated by reference into the accompanying prospectus.

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Other than covenants limiting liens, certain sale and leaseback transactions and certain corporate transactions, the indenture governing the notes will not contain restrictive covenants.

The indenture governing the notes does not contain restrictive covenants that would protect you from many kinds of transactions that may adversely affect you. In particular, the indenture does not contain covenants limiting any of the following:

the incurrence of additional indebtedness by us or our subsidiaries;

the issuance of stock of our subsidiaries;

the payment of dividends and certain other payments by us and our subsidiaries;

our creation of restrictions on the ability of our subsidiaries to make payments to us;

our ability to enter into certain transactions with affiliates; or

our ability to enter into a transaction constituting a change of control.

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USE OF PROCEEDS

We estimate the net proceeds to us from the sale of the notes, after deducting underwriting discounts and expenses payable by us, will be approximately $988.1 million. We intend to use the net proceeds from the sale of the notes for general corporate purposes, including redemption, repurchase or retirement of our 5.15% senior notes due September 1, 2014 and our 4.875% senior notes due July 1, 2015.

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RATIO OF EARNINGS TO FIXED CHARGES

Our ratio of earnings to fixed charges for each of the periods shown is as follows:

	Nine Months Ended September 30,	Year Ended December 31,				
	2013	2012	2011	2010	2009	2008
Ratio of earnings to fixed charges	8.29x	11.11x	14.40x	15.35x	37.29x	64.54x

For all periods presented, the ratio of earnings to fixed charges has been computed on a total enterprise basis. Earnings represent pre-tax income from continuing operations plus fixed charges. Fixed charges include (1) interest, whether expensed or capitalized, (2) amortization of debt issuance costs, whether expensed or capitalized, and (3) a portion of rent expense, which we believe represents the interest factor attributable to rent.

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CAPITALIZATION

The following table sets forth our capitalization as of September 30, 2013 and as adjusted as of such date after giving effect to the sale of the notes pursuant to this offering. You should read this table in conjunction with our consolidated financial statements and the related notes incorporated by reference in this prospectus supplement.

	September 30, 2013	
	Actual	As Adjusted(2)
	(In thousands)	
Long-term debt (excluding current maturities) (1)		
4.875% senior notes due 2015	$ 249,883	$ 249,883
5.875% senior notes due 2019	499,533	499,533
5.70% senior notes due 2039	496,905	496,905
3.45% senior notes due 2023		250,000
4.875% senior notes due 2043		750,000
Total long-term debt	1,246,321	2,246,321
Stockholders equity:		
Preferred stock, par value $0.01 per share, 25,000,000 shares authorized; no shares issued and outstanding		
Common stock, par value $0.01 per share, 500,000,000 shares authorized; 143,952,248 shares issued and 139,035,448 shares outstanding	1,440	1,440
Additional paid-in capital	1,986,693	1,986,693
Retained earnings	2,791,242	2,791,242
Accumulated other comprehensive income	(626)	(626)
Treasury stock at cost (4,916,800 shares)	(114,413)	(114,413)
Total stockholders equity	4,664,336	4,664,336
Total capitalization (1)	$ 5,910,657	$ 6,910,657

(1) Our 5.15% senior notes are due September 1, 2014. Accordingly, as of the date of this prospectus supplement, the indebtedness evidenced by these notes is classified as current and represents short-term, rather than long-term, debt.

(2) Does not give effect to the redemption, repurchase or retirement of our 5.15% senior notes due 2014 and 4.875% senior notes due 2015 described under Use of Proceeds.

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SELECTED CONSOLIDATED FINANCIAL DATA

The following table sets forth certain historical consolidated financial data relating to our company. We prepared the selected consolidated financial data from our consolidated financial statements as of and for the periods presented. The selected consolidated financial data below should be read in conjunction with Management s Discussion and Analysis of Financial Condition and Results of Operations in Item 7 and our Consolidated Financial Statements (including the Notes thereto) in Item 8 in our Annual Report on Form 10-K and in our Quarterly Reports on Form 10-Q incorporated by reference in this prospectus supplement. Historical data for the annual period ending on December 31, 2008 has been restated to reflect the effect thereon of the adoption on January 1, 2009 of an accounting standard that requires all convertible debt securities that may be settled by the issuer fully or partially in cash to be separated into a debt and an equity component. The bifurcation requirement applies to both newly issued debt and debt issuances outstanding for any time during the accounting periods for which financial statements are presented and has been applied retrospectively to the historical period as of and for the year ended December 31, 2008 presented.

	Nine Months Ended September 30, 2013	As of and for the Year Ended December 31,				
		2012	2011	2010	2009	2008 (Adjusted)
	(In thousands, except per share data)					
Income Statement Data:						
Total revenues	$ 2,193,924	$ 2,986,508	$ 3,322,419	$ 3,322,974	$ 3,631,284	$ 3,544,057
Operating income	613,937	962,378	1,255,414	1,425,374	1,903,213	1,910,194
Net income	456,071	720,477	962,542	955,457	1,376,219	1,310,547
Net income per share:						
Basic	3.28	5.18	6.92	6.87	9.90	9.43
Diluted	3.28	5.18	6.92	6.87	9.89	9.42
Balance Sheet Data:						
Drilling and other property and equipment, net	$ 5,331,470	$ 4,864,972	$ 4,667,469	$ 4,283,792	$ 4,432,052	$ 3,414,373
Total assets	7,342,608	7,235,286	6,964,157	6,726,984	6,264,261	4,954,431
Long-term debt (excluding current maturities)	1,246,321	1,496,066	1,495,823	1,495,593	1,495,375	503,280
Other Financial Data:						
Capital expenditures	$ 740,460	$ 702,041	$ 774,756	$ 434,262	$ 1,362,468	$ 666,857
Cash dividends declared per share	2.63	3.50	3.50	5.25	8.00	6.13

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DESCRIPTION OF NOTES

The following description of the particular terms of the notes supplements, and to the extent inconsistent therewith, replaces the descriptions of the general terms and provisions contained in Description of Debt Securities in the accompanying prospectus. References to the Company, we, us, or our in this section of the prospectus supplement mean Diamond Offshore Drilling, Inc.

The notes will be issued under an indenture (the base indenture), dated as of February 4, 1997, between the Company and The Bank of New York Mellon (formerly known as The Bank of New York) (as successor under the base indenture to The Chase Manhattan Bank), as trustee (the trustee), as supplemented and amended by an Eighth Supplemental Indenture, to be dated as of November 5, 2013. References to the indenture in this section of the prospectus supplement mean the base indenture as so supplemented and amended. The 2023 notes and the 2043 notes will each constitute a separate series of debt securities under the indenture. You can obtain copies of the indenture by following the directions described under the heading Where You Can Find More Information on page S-2 of this prospectus supplement.

The following statements are subject to the detailed provisions of the indenture. We urge you to read the indenture because it, not the summaries below and in the accompanying prospectus, defines your rights. Capitalized terms that are not defined in the following discussion have the meanings assigned to them in the indenture.

General

The indenture does not limit the amount of other unsecured indebtedness that we or our subsidiaries may incur, and this may have important consequences for you as a holder of the notes, including making it more difficult for us to satisfy our obligations with respect to the notes, a loss in the trading value of your notes and a risk that the credit rating of the notes is lowered or withdrawn.

The notes will be issued in fully registered form only, in denominations of $2,000 and integral multiples of $1,000 in excess thereof.

The notes do not provide for any sinking fund.

We do not intend to list either series of the notes on any securities exchange or to be quoted on any automated quotation system. We cannot assure you that an active trading market will develop or be maintained for either series of the notes. If an active trading market does develop for either or both series of the notes, those notes may trade at a discount from their initial offering price depending on prevailing interest rates, the market for similar securities, our financial performance and other factors. In addition, there may be a limited number of buyers when you decide to sell your notes. This may affect the price, if any, offered for your notes or your ability to sell your notes when desired or at all. See Risk Factors Risks Relating to the Offering There is currently no trading market for either series of the notes and an active trading market for the notes of either or both series may not develop.

For a description of the rights attaching to debt securities under the indenture, see Description of Debt Securities in the accompanying prospectus.

2023 Notes

The 2023 notes offered hereby will initially be issued in an aggregate principal amount of $250,000,000. The 2023 notes will bear interest at 3.45% per annum and will mature on November 1, 2023. Interest on the 2023 notes will

accrue from November 5, 2013 or from the most recent date to which interest has been paid. Interest on the 2023 notes will be payable semi-annually in arrears on May 1 and November 1 of each year, commencing May 1, 2014, to the persons in whose names the notes are registered at the close of business on the preceding April 15 and October 15, as the case may be, whether or not that day is a

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business day. Interest will be computed on the basis of a 360-day year consisting of twelve 30-day months. Any payment otherwise required to be made in respect of the 2023 notes on a date that is not a business day for the notes may be made on the next succeeding business day with the same force and effect as if made on that date. No additional interest shall accrue as a result of a delayed payment.

2043 Notes

The 2043 notes offered hereby will initially be issued in an aggregate principal amount of $750,000,000. The 2043 notes will bear interest at 4.875% per annum and will mature on November 1, 2043. Interest on the 2043 notes will accrue from November 5, 2013 or from the most recent date to which interest has been paid. Interest on the 2043 notes will be payable semi-annually in arrears on May 1 and November 1 of each year, commencing May 1, 2014, to the persons in whose names the notes are registered at the close of business on the preceding April 15 and October 15, as the case may be, whether or not that day is a business day. Interest will be computed on the basis of a 360-day year consisting of twelve 30-day months. Any payment otherwise required to be made in respect of the 2043 notes on a date that is not a business day for the notes may be made on the next succeeding business day with the same force and effect as if made on that date. No additional interest shall accrue as a result of a delayed payment.

Further Issues

We may, from time to time, without the consent of the holders of the notes, issue other debt securities under the indenture in addition to the aggregate principal amount of the notes. We may also, from time to time, without the consent of the holders, issue additional debt securities having the same ranking and the same interest rate, maturity and other terms as the notes of either series offered by this prospectus supplement, except for the issue date and offering price and, in some cases, the first interest payment date, *provided* that if such additional debt securities are not fungible with the notes of a series for U.S. federal income tax purposes, such additional debt securities will have a separate CUSIP, ISIN or Common Code (as applicable) so that they are distinguishable from the notes of such series. Any such additional debt securities will, together with the then outstanding notes of such series, constitute a single class of notes under the indenture, and as such will vote together on matters under the indenture. No additional notes of a series may be issued if an Event of Default has occurred and is continuing with respect to such series of notes.

Ranking of Notes; Holding Company Structure

The notes will be our general unsecured obligations and will rank equally in right of payment with all of our other existing and future unsecured and unsubordinated indebtedness. We are a holding company. In addition to being subordinated to secured obligations, the notes will be effectively subordinated to all existing and future obligations of our subsidiaries. The indenture does not limit the ability of our subsidiaries to incur additional indebtedness. See Risk Factors Risks Relating to the Offering Our holding company structure results in substantial structural subordination and may affect our ability to make payments on the notes.

As of September 30, 2013:

- we had approximately $1.5 billion aggregate principal amount of total indebtedness outstanding;
- none of our indebtedness was secured;

approximately $1.5 billion aggregate principal amount of our indebtedness would have ranked equally in right of payment with the notes;

none of our indebtedness would have been subordinated to the notes; and

our subsidiaries had no third party indebtedness outstanding.

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Optional Redemption

We may redeem the 2023 notes prior to August 1, 2023, in whole or in part, at a make-whole redemption price, calculated by us, equal to the greater of:

(1) 100% of the principal amount of the 2023 notes to be redeemed; and

(2) the sum of the present values of the remaining scheduled payments of principal and interest (other than interest accruing to the date of redemption) on the 2023 notes being redeemed, discounted to the redemption date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate plus 15 basis points.

At any time on or after August 1, 2023, we may, in whole or in part, redeem the 2023 notes (including any additional 2023 notes) at our option at a redemption price equal to 100% of the principal amount thereof.

We may redeem the 2043 notes prior to May 1, 2043, in whole or in part, at a make-whole redemption price, calculated by us, equal to the greater of:

(1) 100% of the principal amount of the 2043 notes to be redeemed; and

(2) the sum of the present values of the remaining scheduled payments of principal and interest (other than interest accruing to the date of redemption) on the 2043 notes being redeemed, discounted to the redemption date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate plus 20 basis points.

At any time on or after May 1, 2043, we may, in whole or in part, redeem the 2043 notes (including any additional 2043 notes) at our option at a redemption price equal to 100% of the principal amount thereof.

In the case of any redemption, we will pay accrued and unpaid interest, if any, on the principal amount of the notes being redeemed to, but excluding, the redemption date.

Comparable Treasury Issue means, with respect to each series of notes, the United States Treasury security selected by an Independent Investment Banker as having a maturity comparable to the remaining term (Remaining Life) of the notes being redeemed that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate notes of comparable maturity to the remaining term of such notes.

Comparable Treasury Price means, with respect to any redemption date, (1) the average of five Reference Treasury Dealer Quotations for such redemption date, after excluding the highest and lowest Reference Treasury Dealer Quotations, or (2) if we obtain fewer than five such Reference Treasury Dealer Quotations, the average of all such quotations.

Independent Investment Banker means one of the Reference Treasury Dealers that the Company appoints to act as the Independent Investment Banker from time to time.

Reference Treasury Dealer means (1) J.P. Morgan Securities LLC and a Primary Treasury Dealer (defined herein) selected by Wells Fargo Securities, LLC and, in each case, their respective successors; *provided, however*, that if any of the foregoing ceases to be a primary U.S. Government securities dealer in New York City (a Primary Treasury Dealer), the Company will appoint another Primary Treasury Dealer as a substitute and (2) any other Primary

Treasury Dealers selected by the Company.

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Reference Treasury Dealer Quotations means, for each Reference Treasury Dealer and any redemption date, the average, as determined by us, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to us by the Reference Treasury Dealer at 5:00 p.m. New York City time on the third business day preceding the redemption date for the notes being redeemed.

Treasury Rate means, with respect to any redemption date, the rate per year equal to: (1) the yield, under the heading which represents the average for the immediately preceding week, appearing in the most recently published statistical release designated H.15(519) or any successor publication which is published weekly by the Board of Governors of the Federal Reserve System and which establishes yields on actively traded United States Treasury securities adjusted to constant maturity under the caption Treasury Constant Maturities, for the maturity corresponding to the Comparable Treasury Issue; *provided, however*, that, if no maturity is within three months before or after the Remaining Life of the notes to be redeemed, yields for the two published maturities most closely corresponding to the Comparable Treasury Issue shall be determined and the Treasury Rate shall be interpolated or extrapolated from those yields on a straight line basis, rounding to the nearest month; or (2) if such release (or any successor release) is not published during the week preceding the calculation date or does not contain such yields, the rate per year equal to the semiannual equivalent yield to maturity of the Comparable Treasury Issue, calculated using a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date. The Treasury Rate shall be calculated on the third business day preceding the redemption date.

If the Company elects to redeem less than all of a series of notes, then the trustee will select the particular notes of that series to be redeemed in a manner it deems appropriate and fair. However, so long as notes are held in the name of Cede & Co., then such selection shall be made in accordance with the operating procedures of DTC.

Notice of any redemption will be mailed at least 15 days but not more than 60 days before the date of redemption to each holder of the series of notes to be redeemed. The notice of redemption for a series of notes will state, among other things, the amount of notes to be redeemed, the redemption date, the redemption price and the place or places that payment will be made upon presentation and surrender of notes to be redeemed. Unless we default in payment of the redemption price, on and after the date of redemption, interest will cease to accrue on the notes of that series or the portions called for redemption.

In addition, we may at any time purchase notes by tender, in the open market or by private agreement, subject to applicable law.

Limitation on Merger, Consolidation and Certain Sale of Assets

The indenture provides that we may not consolidate with or merge into any other entity or convey or transfer our properties and assets substantially as an entirety to any entity, unless:

- the successor or transferee entity, if other than us, expressly assumes by a supplemental indenture executed and delivered to the trustee, in form satisfactory to the trustee, the due and punctual payment of the principal of, any premium on and any interest on, all the outstanding notes and the performance of every covenant in the indenture to be performed or observed by us;

immediately after giving effect to the transaction, no Event of Default, as defined in the indenture, and no event which, after notice or lapse of time or both, would become an Event of Default, has happened and is continuing; and

we have delivered to the trustee an officers certificate and an opinion of counsel, each in the form required by the indenture and stating that such consolidation, merger, conveyance or transfer and such supplemental indenture comply with the foregoing provisions relating to such transaction.

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In case of any such consolidation, merger, conveyance or transfer, the successor entity will succeed to and be substituted for us as obligor on the notes, with the same effect as if it had been named in the indenture as the Company.

Certain Covenants of the Company

The indenture contains certain covenants that will be applicable (unless waived or amended) so long as any of the notes are outstanding.

In the following discussion, when we refer to our drilling rigs and drillship, we mean any drilling rig or drillship (or the stock or indebtedness of any Subsidiary, as defined in the indenture, owning such a drilling rig or drillship) that we or one of our Subsidiaries leases as lessee, or owns greater than a 50% interest in, that our Board of Directors deems of material importance to us and that has a net book value greater than 2% of Consolidated Net Tangible Assets. When we refer to Consolidated Net Tangible Assets, we mean the total amount of our assets (less reserves and other properly deductible items) after deducting current liabilities (other than those that are extendable at our option to a date more than 12 months after the date the amount is determined), goodwill and other intangible assets shown in our most recent consolidated balance sheet prepared in accordance with generally accepted accounting principles.

Limitation on Liens

In the indenture, we have agreed that we will not, and we will not permit any of our Subsidiaries to, create, assume or allow to exist any debt secured by a lien upon any of our drilling rigs or drillship, unless we secure the notes equally and ratably with the debt secured by the lien. This covenant has exceptions that permit:

liens already existing on the date the notes are issued;

liens on property existing at the time we acquire the property or liens on property of a corporation or other entity at the time it becomes a Subsidiary;

liens securing debt incurred to finance the acquisition, completion of construction and commencement of commercial operation, alteration, repair or improvement of any property, if the debt was incurred prior to, at the time of or within 12 months after that event, and to the extent that debt is in excess of the purchase price or cost, recourse on the debt is only against that property;

liens that secure debt which a Subsidiary owes to us or to another Subsidiary;

liens in favor of a governmental entity to secure either:

payments under any contract or statute; or

industrial development, pollution control or similar indebtedness;

liens imposed by law such as mechanic s or workmen s liens;

governmental liens under contracts for the sale of products or services;

liens under workers compensation laws or similar legislation;

liens in connection with legal proceedings or securing taxes or assessments;

good faith deposits in connection with bids, tenders, contracts or leases;

deposits made in connection with maintaining self-insurance, to obtain the benefits of laws, regulations or arrangements relating to unemployment insurance, old age pensions, social security or similar matters or to secure surety, appeal or customs bonds; and

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any extensions, renewals or replacements of the above-described liens if both:

- the amount of debt secured by the new lien does not exceed the amount of debt secured, plus any additional debt used to complete the project, if applicable; and

- the new lien is limited to all or a part of the property (plus any improvements) secured by the original lien.

In addition, without securing the notes as described above, we may create, assume or allow to exist secured debt that this covenant would otherwise restrict in an aggregate amount that does not exceed a basket equal to 10% of our Consolidated Net Tangible Assets. When determining whether secured debt is permitted by this exception, we must include in the calculation of the basket amount all of our other secured debt that this covenant would otherwise restrict and the present value of lease payments in connection with sale and lease-back transactions that would be prohibited by the Limitation on sale and lease-back transactions covenant described below if this exception did not apply.

Limitation on Sale and Lease-Back Transactions

We have agreed that we will not enter into a sale and lease-back transaction covering any drilling rig or drillship, unless one of the following applies:

- we could incur debt secured by the leased property in an amount at least equal to the present value of the lease payments in connection with that sale and lease-back transaction without violating the Limitation on liens covenant described above; or

- within six months of the effective date of the sale and lease-back transaction, we apply an amount equal to the present value of the lease payments in connection with the sale and lease-back transaction to either:

  - the acquisition of any drilling rig or drillship; or

  - the retirement (including by redemption, defeasance, repurchase or otherwise) of long-term debt or other debt maturing more than one year after its creation, in each case ranking equally with the notes.

When we use the term sale and lease-back transaction, we mean any arrangement by which we sell or transfer to any person any drilling rig or drillship that we then lease back from them. This term excludes leases no longer than five years, intercompany leases, leases executed within 12 months of the acquisition, construction, improvement or commencement of commercial operation of the drilling rig or drillship, and arrangements pursuant to any provision of law with an effect similar to the former Section 168(f)(8) of the Internal Revenue Code of 1954 (which permitted the lessor to recognize depreciation on the property).

Events of Default, Waiver and Notice

An event of default is defined in the indenture, with respect to either series of notes, as:

(a) default for 30 days in payment of any interest on that series of notes;

(b) default in payment of principal of that series of notes at maturity or the redemption price when the same becomes due and payable;

(c) default in the payment (after any applicable grace period) of any indebtedness for money borrowed by the Company or a Subsidiary in excess of $100.0 million principal amount (excluding such indebtedness of any Subsidiary other than a Significant Subsidiary, all the indebtedness of which Subsidiary is nonrecourse to the Company or any other Subsidiary) or default on such indebtedness that results in the acceleration of such indebtedness prior to its express maturity, if such indebtedness is not discharged, or such acceleration is not annulled, by the end of a period of 10 days after written notice to us by the trustee or to us and the trustee by the holders of at least 25% in principal amount of the outstanding notes of such series;

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(d) default by us in the performance of any other covenant contained in the indenture for the benefit of such series of notes that has not been remedied by the end of a period of 60 days after notice is given as specified in the indenture; and

(e) certain events of bankruptcy, insolvency and reorganization of the Company or a Significant Subsidiary.

When we refer to a Significant Subsidiary, we mean any Subsidiary, the Net Worth of which represents more than 10% of the Consolidated Net Worth of the Company and our Subsidiaries. The terms Subsidiary, Net Worth and Consolidated Net Worth are defined in the indenture.

The indenture provides that:

> if an event of default described in clause (a), (b), (c) or (d) above (if the event of default under clause (d) is with respect to less than all series of debt securities issued under the base indenture and then outstanding) has occurred and is continuing with respect to a series of debt securities issued under the base indenture and then outstanding, either the trustee or the holders of not less than 25% in aggregate principal amount of the debt securities of such series then outstanding (each such series acting as a separate class) may declare the principal (or, in the case of debt securities originally issued at a discount, the portion thereof as may be specified in the terms thereof) of the debt securities of the affected series and the interest accrued thereon, if any, to be due and payable immediately; and

> if an event of default described in clause (d) above (if the event of default under clause (d) is with respect to all series of debt securities issued under the base indenture and then outstanding) has occurred and is continuing, either the trustee or the holders of at least 25% in aggregate principal amount of all debt securities issued under the base indenture and then outstanding (treated as one class) may declare the principal (or, in the case of the debt securities originally issued at a discount, the portion thereof as may be specified in the terms thereof) of all debt securities issued under the base indenture and then outstanding and the interest accrued thereon, if any, to be due and payable immediately,

but upon certain conditions such declarations may be annulled and past defaults (except for defaults in the payment of principal of, any premium on or any interest on, such debt securities and in compliance with certain covenants) may be waived by the holders of a majority in aggregate principal amount of the debt securities of such series then outstanding. If an event of default described in clause (e) occurs and is continuing, then the principal amount (or, in the case of debt securities originally issued at a discount, such portion of the principal amount as may be specified in the terms thereof) of all the debt securities issued under the base indenture and then outstanding and all accrued interest thereon shall become and be due and payable immediately, without any declaration or other act by the trustee or any other holder.

Under the indenture, the trustee must give to the holders of a series of notes notice of all uncured defaults known to it with respect to such notes within 90 days after such a default occurs (the term default to include the events specified above without notice or grace periods); *provided* that, except in the case of default in the payment of principal of, any premium on or any interest on, any of the notes, or default in the payment of any sinking or purchase fund installment or analogous obligations, the trustee will be protected in withholding such notice if it in good faith determines that the withholding of such notice is in the interests of the holders of the notes of that series.

No holder of any notes may institute any action under the indenture unless:

such holder has given the trustee written notice of a continuing event of default with respect to such series of notes;

the holders of not less than 25% in aggregate principal amount of the notes of such series then outstanding have requested the trustee to institute proceedings in respect of such event of default;

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such holder or holders have offered the trustee such reasonable indemnity as the trustee may require;

the trustee has failed to institute an action for 60 days thereafter; and

no inconsistent direction has been given to the trustee during such 60-day period by the holders of a majority in aggregate principal amount of such series of notes.

The holders of a majority in aggregate principal amount of the series of notes affected and then outstanding will have the right, subject to certain limitations, to direct the time, method and place of conducting any proceeding for any remedy available to the trustee or exercising any trust or power conferred on the trustee with respect to the notes of such series. The indenture provides that, if an event of default occurs and is continuing, the trustee, in exercising its rights and powers under the indenture, will be required to use the degree of care of a prudent man in the conduct of his own affairs. The indenture further provides that the trustee shall not be required to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties under the indenture unless it has reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is reasonably assured to it.

We must furnish to the trustee within 120 days after the end of each fiscal year a statement signed by one of certain officers of the Company to the effect that a review of our activities during such year and of our performance under the indenture and the terms of the notes has been made, and, to the best of the knowledge of the signatories based on such review, we have complied with all conditions and covenants of the indenture or, if we are in default, specifying such default.

For the purposes of determining whether the holders of the requisite principal amount of notes have taken any action herein described, the principal amount of notes will be deemed to be the portion of such principal amount that would be due and payable at the time of the taking of such action upon a declaration of acceleration of maturity thereof.

Modification of the Indenture

We and the trustee may, without the consent of the holders of the debt securities issued under the base indenture, enter into supplemental indentures for, among others, one or more of the following purposes:

to evidence the succession of another corporation to the Company, and the assumption by such successor of our obligations under the indenture and the debt securities of any series;

to add covenants of the Company, or surrender any rights of the Company, for the benefit of the holders of debt securities of any or all series;

to cure any ambiguity, omission, defect or inconsistency in such indenture;

to establish the form or terms of any series of debt securities, including any subordinated securities;

to evidence and provide for the acceptance of any successor trustee with respect to one or more series of debt securities or to facilitate the administration of the trusts thereunder by one or more trustees in accordance with such indenture; and

to provide any additional events of default.

With certain exceptions, the indenture or the rights of the holders of a series of the notes may be modified by us and the trustee with the consent of the holders of a majority in aggregate principal amount of such series of the notes then outstanding, but no such modification may be made without the consent of the holder of each outstanding note affected thereby that would:

change the maturity of any payment of principal of, or any premium on, or any installment of interest on any note, or reduce the principal amount thereof or the rate of regular interest or any premium thereon, or change the method of computing the amount of principal thereof or the rate of interest

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thereon on any date or change any place of payment where, or the coin or currency in which, any note or any premium or interest thereon is payable, or impair the right to institute suit for the enforcement of any such payment on or after the maturity thereof (or, in the case of redemption or repayment, on or after the redemption date or the repayment date, as the case may be) or adversely affect the repurchase or redemption provisions in the indenture;

reduce the percentage in principal amount of a series of the outstanding notes, the consent of whose holders is required for any such modification, or the consent of whose holders is required for any waiver of compliance with certain provisions of the indenture or certain defaults thereunder and their consequences provided for in the indenture; or

modify any of the provisions of certain sections of the indenture, including the provisions summarized in this paragraph, except to increase any such percentage or to provide that certain other provisions of the indenture cannot be modified or waived without the consent of the holder of each outstanding note affected thereby.

Satisfaction and Discharge; Defeasance

We may satisfy and discharge our obligations under the indenture with respect to a series of the notes by delivering to the trustee for cancellation all outstanding notes of that series or by depositing with the trustee or the paying agent, if applicable, after such notes have become due and payable, whether at stated maturity, or any redemption date or otherwise, cash sufficient to pay all of the outstanding notes of that series and paying all other sums payable under the indenture by our company.

Governing Law

The indenture and the notes will be governed by and construed in accordance with the laws of the State of New York.

Book-Entry Notes

The Depository Trust Company (DTC), New York, New York, will act as securities depository for the notes. Each of the 2023 notes and the 2043 notes will be issued as fully registered global securities registered in the name of Cede & Co. (DTC s partnership nominee) or such other name as may be requested by an authorized representative of DTC.

Beneficial interests in the notes will be shown on, and transfers thereof will be effected only through, records maintained by DTC and its direct and indirect participants. Investors may elect to hold interests in the notes through DTC if they are participants in the DTC system, or indirectly through organizations which are participants in the DTC system.

DTC has informed us that DTC is:

a limited-purpose trust company organized under the New York Banking Law;

a banking organization within the meaning of the New York Banking Law;

a member of the Federal Reserve System;

a clearing corporation within the meaning of the New York Uniform Commercial Code; and

a clearing agency registered pursuant to the provisions of Section 17A of the Exchange Act.

DTC holds securities that its participants (Direct Participants) deposit with DTC. DTC also facilitates the settlement among Direct Participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerized book-entry changes in Direct Participants accounts, which eliminates

the need for physical movement of securities certificates. Direct Participants include securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is owned by a number of its Direct Participants and by New York Stock Exchange LLC, NYSE MKT LLC and the Financial Industry Regulatory Authority. Access to the DTC system is also available to others such as securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (Indirect Participants). The rules applicable to DTC and its Direct and Indirect Participants are on file with the Commission.

Purchases of the notes under the DTC system must be made by or through Direct Participants, which receive a credit for the notes on DTC s records. The ownership interest of each actual purchaser of each note (a Beneficial Owner) is in turn to be recorded on the Direct and Indirect Participants records. Beneficial Owners will not receive written confirmations from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the notes are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in notes except in the event that use of the book-entry system for the notes is discontinued. As a result, the ability of a person having a beneficial interest in the notes to pledge such interest to persons or entities that do not participate in the DTC system, or to otherwise take actions with respect to such interest, may be affected by the lack of a physical certificate evidencing such interest. In addition, the laws of some states require that certain persons take physical delivery in definitive form of securities that they own and that security interests in negotiable instruments can only be perfected by delivery of certificates representing the instruments. Consequently, the ability to transfer notes evidenced by the global notes will be limited to such extent.

To facilitate subsequent transfers, all notes deposited by Direct Participants with DTC are registered in the name of DTC s partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of the notes with DTC and their registration in the name of Cede & Co. or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the notes. DTC s records reflect only the identity of the Direct Participants to whose accounts such notes are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the notes unless authorized by a Direct Participant in accordance with DTC procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co. s consenting or voting rights to those Direct Participants to whose accounts the notes are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments of principal, interest and premium, if any, on the notes will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC s practice is to credit Direct Participants accounts, upon DTC s receipt of funds and corresponding detail information from us on the payable date in accordance with their respective holdings shown on DTC s records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in street name and will be the responsibility of such Participant and not of DTC, or us,

subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, interest and premiums, if any, on the notes and payment of redemption proceeds, distributions and dividends to Cede & Co. (or such other nominee as may be

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requested by an authorized representative of DTC) is our responsibility and disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

Investors electing to hold their notes through DTC will follow the settlement practices applicable to U.S. corporate debt obligations. The securities custody accounts of investors will be credited with their holdings on the settlement date against payment in same-day funds within DTC effected in U.S. dollars.

Secondary market sales of book-entry interests in the notes between DTC Participants will occur in the ordinary way in accordance with DTC rules and will be settled using the procedures applicable to U.S. corporate debt obligations in DTC s Settlement System.

If DTC is at any time unwilling, unable or ineligible to continue as depositary and we do not appoint a successor depositary within 90 days, we will issue individual notes in exchange for the Global Security representing such notes. In addition, we may at any time and in our sole discretion, determine not to have the notes of a series represented by one or more Global Securities and, in such event, will issue individual notes in exchange for the Global Security or Global Securities representing such notes. Individual debt securities of such series so issued will be issued in denominations, unless we specify otherwise, of $2,000 and integral multiples of $1,000 in excess thereof. See Description of Debt Securities Global Securities in the accompanying prospectus.

We will not have any responsibility or obligation to participants in the DTC system or the persons for whom they act as nominees with respect to the accuracy of the records of DTC, its nominee or any Direct or Indirect Participant with respect to any ownership interest in the notes, or with respect to payments to or providing of notice for the Direct Participants, the Indirect Participants or the beneficial owners of the notes.

The information in this section concerning DTC and its book-entry systems has been obtained from sources that we believe to be reliable. Neither we, the trustee nor the underwriters, dealers or agents are responsible for the accuracy or completeness of this information.

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CERTAIN MATERIAL UNITED STATES FEDERAL INCOME TAX CONSEQUENCES

The following summary of certain material United States federal income tax consequences of the purchase, ownership and disposition of the 2023 notes and 2043 notes is based upon the provisions of the Internal Revenue Code of 1986, as amended, or the Code, the final, temporary and proposed Treasury Regulations promulgated thereunder, and administrative rulings and judicial decisions now in effect, all of which are subject to change (possibly with retroactive effect) or different interpretations.

The following summary is not binding on the Internal Revenue Service, or the IRS, and there can be no assurance that the IRS will take a similar view with respect to the tax consequences described below. No ruling has been or will be requested by us from the IRS on any tax matters relating to either series of the notes.

This discussion is for general information only and does not purport to address all of the possible United States federal income tax consequences or any state, local or foreign tax consequences of the acquisition, ownership and disposition of either series of the notes. This discussion is limited to investors who purchase the notes in this offering at their initial offering price, and who will hold the notes as capital assets within the meaning of Section 1221 of the Code. This discussion does not address all of the tax consequences that may be relevant to particular holders in light of their unique circumstances or to certain types of holders who or that may be subject to special tax rules or treatment, such as, among others, dealers in securities or foreign currencies, insurance companies, certain financial institutions, banks, tax-exempt entities, persons holding a note as a part of or in connection with a straddle, hedging transaction, constructive sale or synthetic security transaction for United States federal income tax purposes, holders that are traders in securities and that elect to mark to market, holders who have ceased to be United States citizens or to be taxed as resident aliens, holders who are subject to the United States federal alternative minimum tax and U.S. holders (as defined below) whose functional currency (as defined in Section 985 of the Code) is not the United States dollar. Prospective purchasers of either series of the notes are urged to consult their tax advisors regarding the United States federal income tax consequences of purchasing, owning and disposing of such notes, as well as any other tax consequences that may arise under the laws of the United States or of any state, local, foreign or other taxing jurisdiction (and which are not addressed herein), including estate or gift tax liability and the 3.8% Medicare tax on net investment income, as may be applicable to their particular situations.

For purposes of this discussion, a United States person means:

- an individual who is a citizen or resident of the United States;
- a corporation, or other entity treated as a corporation for United States federal income tax purposes, created in or organized under the laws of the United States or any state or political subdivision thereof;
- an estate the income of which is subject to United States federal income taxation without regard to the source of its income; or
- a trust (a) the administration of which is subject to the primary supervision of a United States court and which has one or more United States persons who have the authority to control all substantial decisions of the trust or (b) that has a valid election in effect to be treated as a United States person under the Code.

As used herein, the term U.S. holder means a beneficial owner of a note of either series that is a United States person and the term non-U.S. holder means a beneficial owner of a note of either series that is neither a United States person nor a partnership or other entity treated as a partnership for United States federal income tax purposes.

If a partnership (or any other entity that is treated as a partnership for United States federal income tax purposes) holds a note of either series, the United States federal income tax treatment of a partner of such partnership (or beneficial owner of such other entity) will generally depend upon the status of the partner or beneficial owner and the activities of the partnership or such other entity. If you are a partner of a partnership (or beneficial owner of such other entity) holding a note of either series, you should consult your tax advisor.

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U.S. Holders

Payments of Stated Interest

A U.S. holder of a note of either series will generally be required to report stated interest in respect of a note as ordinary interest income at the time such interest is accrued or received in accordance with such U.S. holder s regular method of accounting for United States federal income tax purposes. It is expected, and this discussion assumes, that the notes will not be issued at a discount that will equal or exceed a de minimis amount of original issue discount (and, thus, will not be issued with original issue discount for United States federal income tax purposes).

In certain circumstances, we may be obligated to pay you amounts in excess of the stated interest and principal payable on the notes. The obligation to make such payments may implicate the provisions of Treasury Regulations relating to contingent payment debt instruments. Under applicable Treasury Regulations, the possibility of such amounts being paid will not cause the notes to be treated as contingent payment debt instruments if there is only a remote chance that these contingencies will occur or if such contingencies are considered to be incidental. If the notes were deemed to be contingent payment debt instruments, holders might, among other things, be required to treat any gain recognized on the sale or other disposition of a note as ordinary income rather than as capital gain, and the timing and amount of income inclusion may be different from the consequences discussed herein. Although the matter is not free from doubt, we intend to take the position that either the likelihood that such payments will be made is remote or, if made, will be incidental and therefore the notes are not subject to the rules governing contingent payment debt instruments. This determination will be binding on a holder unless such holder explicitly discloses on a statement attached to such holder s timely filed United States federal income tax return for the taxable year that includes the acquisition date of the note that such holder s determination is different. It is possible, however, that the IRS may take a contrary position from that described above, in which case the tax consequences to a holder could differ materially and adversely from those described below. The remainder of this disclosure assumes that the notes will not be treated as contingent payment debt instruments.

Sale, Taxable Exchange, Redemption, Retirement or Other Taxable Disposition of the Notes

A U.S. holder will generally recognize gain or loss on the sale, taxable exchange, redemption, retirement or other taxable disposition of a note in an amount equal to the difference between (a) the amount of cash plus the fair market value of any other property received upon such disposition (except to the extent attributable to accrued interest), and (b) the U.S. holder s adjusted United States federal income tax basis in the disposed of note. Such gain or loss will generally be capital gain or loss, and will be long term capital gain or loss if the U.S. holder had held the disposed of note for more than one year at the time of such disposition; *provided, however*, amounts received by the U.S. holder that are attributable to accrued interest and which the U.S. holder has not yet included in income for United States federal income tax purposes would be taxed as ordinary interest income for United States federal income tax purposes. The deductibility of capital losses is subject to certain limitations.

Information Reporting and Backup Withholding

In general, information reporting requirements will apply to certain payments of principal and interest in respect of, and the proceeds of sale or other disposition of, the notes, unless the U.S. holder is an exempt recipient. In addition, a U.S. holder will be subject to backup withholding if he, she or it fails to provide his, her or its correct taxpayer identification number or certification of exempt status or has been notified by the IRS that he, she or it is subject to backup withholding. U.S. holders should consult their tax advisors regarding their qualification for exemption from backup withholding and the procedure for obtaining such an exemption if applicable. Backup withholding is not an additional United States federal income tax. Rather, the United States federal income tax liability of a person subject

to withholding will be reduced by the amount withheld. If withholding results in an overpayment of United States federal income taxes, a refund or credit may be obtained from the IRS, *provided* that the required information is properly furnished to the IRS on a timely basis.

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Non-U.S. Holders

Payments of Interest

Subject to the discussion below concerning information reporting and backup withholding, under current United States federal tax law, interest paid to a non-U.S. holder in respect of a note will generally not be subject to United States federal income or withholding tax, *provided* that the interest is not effectively connected with the conduct of a trade or business within the United States by the non-U.S. holder, and the non-U.S. holder (a) does not own, actually or constructively, directly or indirectly, 10% or more of the total combined voting power of all classes of our stock entitled to vote; (b) is not, for United States federal income tax purposes, a controlled foreign corporation that is a related person (within the meaning of Section 864(d)(4) of the Code) to us; (c) is not a bank for which either the notes constitute an extension of credit made pursuant to a loan agreement entered into in the ordinary course of its trade or business; and (d) certifies under penalties of perjury his, her or its non-United States person status on the IRS Form W-8BEN (or successor form) and, otherwise, satisfies the certification requirements of Section 871(h) or Section 881(c) of the Code, as applicable, and the Treasury Regulations thereunder (the Portfolio Interest Exemption Certification).

In the case of a non-U.S. holder who or that does not satisfy the requirements of the immediately preceding paragraph, such non-U.S. holder would be subject to United States federal withholding tax on interest received by him, her or it in respect of his, her or its notes at a flat rate of 30%, unless such non-U.S. holder provides the withholding agent, prior to the payment of such interest, with a properly executed:

(1) IRS Form W-8BEN or successor form claiming an exemption from withholding, or eligibility for a reduced rate, under the benefit of an applicable tax treaty (or, in the case of a note held on behalf of the non-U.S. holder by a securities clearing organization, bank or other financial institution holding customers securities in the ordinary course of its trade or business, such financial institution files with the withholding agent a statement that it has received the IRS Form W-8BEN or successor form from the non-U.S. holder, furnishes the withholding agent with a copy thereof, and otherwise complies with the applicable IRS requirements); or

(2) IRS Form W-8ECI or successor form stating that interest paid in respect of his, her or its notes is not subject to withholding tax because such interest is effectively connected with the non-U.S. holder s conduct of a trade or business within the United States, in which case such interest would be subject to United States federal income tax on a net income basis as applicable to U.S. holders generally unless an applicable income tax treaty would provide otherwise. Any non-U.S. holder that is a corporation for United States federal income tax purposes and whose interest in respect of its notes is effectively connected with the conduct of a trade or business within the United States may also be subject to a United States federal branch profits tax of 30% (or lower rate under an applicable treaty).

In addition, a non-U.S. holder that claims the benefit of an applicable tax treaty may be required to obtain a United States taxpayer identification number and to provide documentary evidence issued by a foreign governmental authority to prove residence in a foreign country. Special procedures are provided in the Treasury Regulations for payments through qualified intermediaries.

Sale, Taxable Exchange, Redemption, Retirement or Other Taxable Disposition of Notes

A non-U.S. holder will generally not be subject to United States federal income tax on gain recognized on the sale, taxable exchange, redemption, retirement or other taxable disposition of his, her or its notes, unless (a) such gain is effectively connected with the non-U.S. holder s conduct of a trade or business within the United States (or, if an income tax treaty applies, such gain is attributable to a U.S. permanent establishment maintained by such non-U.S.

holder) or (b) in the case of a non-U.S. holder who is a nonresident alien individual, such non-U.S. holder is present in the United States for 183 or more days during the taxable year of such disposition and certain other requirements are met. Any such gain that is effectively connected with the conduct of a United States trade or business by a non-U.S. holder would be subject to United States federal income tax on a net income basis in the same manner as if such non-U.S. holder were a United States person. Such non-U.S.

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holders are urged to consult their own tax advisors with respect to other United States federal tax consequences of the ownership and sale, taxable exchange, redemption or other taxable disposition of the notes, including the possible imposition of a branch profits tax at a rate of 30% (or a lower treaty rate).

Information Reporting and Backup Withholding

We will, when required, report to the IRS and to each non-U.S. holder the amount of any interest paid in respect of the notes in each calendar year, and the amount of tax withheld, if any, with respect to the payments. This information may also be made available to the tax authorities of a country in which the non-U.S. holder resides. Backup withholding will not apply to payments made in respect of the notes if the Portfolio Interest Exemption Certification requirements are satisfied, *provided* that we, our paying agent or the qualified intermediary, as the case may be, does not have actual knowledge or reason to know that the payee is a United States person.

Under current Treasury Regulations, payments in respect of the sale, taxable exchange, redemption, retirement, or other taxable disposition of a note made to or through a foreign office of a broker generally would not be subject to backup withholding. However, if such broker is:

a United States person;

a controlled foreign corporation for United States federal income tax purposes;

a foreign person 50% or more of whose gross income for certain periods is effectively connected with a United States trade or business; or

a foreign partnership with certain connections to the United States,

then information reporting would be required unless the broker has in its records documentary evidence that the beneficial owner is not a United States person and certain other conditions are met or the beneficial owner otherwise establishes an exemption. Backup withholding may apply to any payment that such broker is required to report if the broker has actual knowledge or reason to know that the payee is a United States person. Payments to or through the United States office of a broker will be subject to backup withholding and information reporting unless the non-U.S. holder certifies, under penalties of perjury, that he, she or it is not a United States person and the payor does not have actual knowledge or reason to know that the non-U.S. holder is a United States person, or the non-U.S. holder otherwise establishes an exemption.

Non-U.S. holders should consult their tax advisors regarding the application of information reporting and backup withholding in their particular situations, the availability of an exemption therefrom, and the procedure for obtaining such an exemption, if available.

Any amounts withheld under the backup withholding rules may be allowed as a refund or a credit against that non-U.S. holder s United States federal income tax liability, *provided* that the required information is properly furnished to the IRS on a timely basis.

New Legislation Affecting Taxation of Notes Held by or Through Foreign Entities

Legislation enacted in 2010 generally imposes a withholding tax of 30% on interest income paid on a debt obligation and on the gross proceeds of a disposition of a debt obligation paid after December 31, 2012 to (i) a foreign financial institution (as a beneficial owner or as an intermediary), unless such institution enters into an agreement with the United States government to collect and provide to the United States tax authorities substantial information regarding United States account holders of such institution (which would include certain equity and debt holders of such institution, as well as certain account holders that are foreign entities with United States owners), and (ii) a foreign entity that is not a financial institution (as a beneficial owner or as an intermediary), unless such entity provides the applicable withholding agent with a certification identifying the substantial United States owners of the entity, which generally includes any United States person who directly or indirectly owns more than 10% of the entity. The IRS has since released Treasury Regulations and recently

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published administrative guidance providing that it will not apply this new withholding tax (i) to interest income on a debt obligation that is paid on or before June 30, 2014 or (ii) to gross proceeds of a disposition of a debt obligation paid on or before December 31, 2016. Moreover, such Treasury Regulations and administrative guidance provide that this legislation generally will not apply to a debt obligation outstanding on July 1, 2014, unless such debt obligation undergoes a significant modification (within the meaning of Treasury Regulations Section 1.1001-3) after such date. Therefore, this legislation will not apply to either series of the notes, unless the terms thereof are significantly modified (within the meaning of applicable Treasury Regulations) or deemed to be reissued for United States federal income tax purposes after July 1, 2014. Prospective holders are encouraged to consult their own tax advisors regarding the implications of this legislation on their investment in the notes.

THE PRECEDING DISCUSSION OF CERTAIN MATERIAL UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS CONCERNING THE PURCHASE, OWNERSHIP AND DISPOSITION OF THE NOTES IS FOR GENERAL INFORMATION ONLY AND IS NOT TAX ADVICE. ACCORDINGLY, EACH PROSPECTIVE HOLDER IS URGED TO CONSULT HIS, HER OR ITS OWN TAX ADVISOR AS TO PARTICULAR TAX CONSEQUENCES TO HIM, HER OR IT OF PURCHASING, HOLDING AND DISPOSING OF EITHER THE 2023 NOTES OR 2043 NOTES, INCLUDING THE APPLICABILITY AND EFFECT OF ANY UNITED STATES FEDERAL, STATE, LOCAL OR FOREIGN TAX LAWS, AND OF ANY PROPOSED CHANGES IN APPLICABLE LAW.

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UNDERWRITING

Subject to the terms and conditions contained in an underwriting agreement, dated as of the date of this prospectus supplement, between us and the underwriters named below, for whom J.P. Morgan Securities LLC and Wells Fargo Securities, LLC are acting as representatives, we have agreed to sell to each underwriter, and each underwriter has severally agreed to purchase from us, the principal amount of notes that appears opposite its name in the table below:

Underwriter	Principal Amount of the 2023 Notes	Principal Amount of the 2043 Notes
J.P. Morgan Securities LLC	$ 50,000,000	$ 150,000,000
Wells Fargo Securities, LLC	50,000,000	150,000,000
Citigroup Global Markets Inc.	37,500,000	112,500,000
HSBC Securities (USA) Inc.	37,500,000	112,500,000
SunTrust Robinson Humphrey, Inc.	25,000,000	75,000,000
BNY Mellon Capital Markets, LLC	12,500,000	37,500,000
Goldman, Sachs & Co.	12,500,000	37,500,000
PNC Capital Markets LLC	12,500,000	