GLOWPOINT, INC.
Form SC 13D
August 16, 2013

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13D
(Rule 13d-101)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT TO § 240.13d-1(a) AND AMENDMENTS THERETO FILED PURSUANT TO § 240.13d-2(a)

(Amendment No.)1

GLOWPOINT, INC.
(Name of Issuer)

Common Stock, Par Value $0.0001 Per Share
(Title of Class of Securities)

379887201
(CUSIP Number)

Jason B. Beauvais
Senior Vice President, General Counsel,
Chief Compliance Officer and Secretary
Main Street Capital Corporation
1300 Post Oak Boulevard
Houston, Texas 77056
(713) 350-6000
(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications)

August 9, 2013
(Date of Event Which Requires Filing of This Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§ 240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box ¨.

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See § 240.13d-7 for other parties to whom copies are to be sent.

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1 The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be “filed” for the purpose of Section 18 of the Securities Exchange Act of 1934 (“Act”) or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

CUSIP NO. 379887201

1	NAME OF REPORTING PERSON GP Investment Holdings, LLC		
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP		(a) o (b) o
3	SEC USE ONLY		
4	SOURCE OF FUNDS WC		
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)		¨
6	CITIZENSHIP OR PLACE OF ORGANIZATION Delaware		
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER -0-	
	8	SHARED VOTING POWER 15,276,138	
	9	SOLE DISPOSITIVE POWER -0-	
	10	SHARED DISPOSITIVE POWER 15,276,138	
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 15,276,138		
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES		o
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 43.6% (1)		
14	TYPE OF REPORTING PERSON OO – limited liability company		

(1) The ownership percentages set forth herein are calculated based upon 35,051,222 shares of Common Stock outstanding, which includes (i) 28,717,889 shares outstanding as of May 7, 2013, and (ii) the issuance on August 9, 2013 of an additional 6,333,333 shares of Common Stock upon conversion of outstanding shares of the Issuer's Series B-1 Preferred Stock.

CUSIP NO. 379887201

1	NAME OF REPORTING PERSON Robert M. Shuford		
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP		(a) o (b) o
3	SEC USE ONLY		
4	SOURCE OF FUNDS AF		
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)		¨
6	CITIZENSHIP OR PLACE OF ORGANIZATION United States		
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER -0-	
	8	SHARED VOTING POWER 15,276,138 (1)	
	9	SOLE DISPOSITIVE POWER -0-	
	10	SHARED DISPOSITIVE POWER 15,276,138 (1)	
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 15,276,138 (1)		
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES		o
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 43.6% (2)		
14	TYPE OF REPORTING PERSON IN		

(1) Robert M. Shuford, as one of the two members of the board of managers and the Chief Executive Officer of GP Investment Holdings, LLC, may be deemed to share voting and investment power with the other Reporting Persons with respect to the shares owned directly by of GP Investment Holdings, LLC. Robert M. Shuford disclaims beneficial ownership of all such shares.

(2) The ownership percentages set forth herein are calculated based upon 35,051,222 shares of Common Stock outstanding, which includes (i) 28,717,889 shares outstanding as of May 7, 2013, and (ii) the issuance on August 9,

2013 of an additional 6,333,333 shares of Common Stock upon conversion of outstanding shares of the Issuer’s Series B-1 Preferred Stock.

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CUSIP NO. 379887201

1	NAME OF REPORTING PERSON Brian Pessin		
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP	(a) o (b) o	
3	SEC USE ONLY		
4	SOURCE OF FUNDS AF		
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)	¨	
6	CITIZENSHIP OR PLACE OF ORGANIZATION United States		
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER -0-	
	8	SHARED VOTING POWER 15,276,138 (1)	
	9	SOLE DISPOSITIVE POWER -0-	
	10	SHARED DISPOSITIVE POWER 15,276,138 (1)	
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 15,276,138 (1)		
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES	o	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 43.6% (2)		
14	TYPE OF REPORTING PERSON IN		

(1) Brian Pessin, as one of the two members of the board of managers and the President of GP Investment Holdings, LLC, and as the owner of approximately 3.9% of the limited liability company interests of GP Investment Holdings, LLC, may be deemed to share voting and investment power with the other Reporting Persons with respect to the shares owned directly by of GP Investment Holdings, LLC. Brian Pessin disclaims beneficial ownership of such shares.

(2) The ownership percentages set forth herein are calculated based upon 35,051,222 shares of Common Stock outstanding, which includes (i) 28,717,889 shares outstanding as of May 7, 2013, and (ii) the issuance on August 9, 2013 of an additional 6,333,333 shares of Common Stock upon conversion of outstanding shares of the Issuer's Series B-1 Preferred Stock.

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CUSIP NO. 379887201

1	NAME OF REPORTING PERSON Main Street Capital Corporation		
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP		(a) o (b) o
3	SEC USE ONLY		
4	SOURCE OF FUNDS WC, AF		
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)		¨
6	CITIZENSHIP OR PLACE OF ORGANIZATION Maryland		
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER 7,345 (1)	
	8	SHARED VOTING POWER 15,342,241 (1)	
	9	SOLE DISPOSITIVE POWER 7,345 (1)	
	10	SHARED DISPOSITIVE POWER 15,342,241 (1)	
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 15,349,586 (1)		
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES		o
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 43.8% (2)		
14	TYPE OF REPORTING PERSON CO		

(1) Main Street Capital Corporation, as the owner of 50% of the limited liability company interests of GP Investment Holdings, LLC, may be deemed to share voting and investment power with the other Reporting Persons with respect to the shares owned directly by of GP Investment Holdings, LLC. Main Street Capital Corporation disclaims beneficial ownership of such shares. Main Street Capital Corporation directly owns 7,345 shares of Common Stock that are not held by GP Investment Holdings, LLC. Main Street Mezzanine Fund LP and Main Street Capital II, LP, subsidiaries of Main Street Capital Corporation, directly own 47,741 and 18,362 shares of Common Stock, respectively, that are not held by GP Investment Holdings, LLC. Main Street Capital Corporation may be deemed to

share voting and investment power with respect to the 47,741 shares of Common Stock owned by Main Street Mezzanine Fund LP and the 18,362 shares of Common Stock owned by Main Street Capital II, LP. Main Street Capital Corporation disclaims beneficial ownership of such shares.

(2) The ownership percentages set forth herein are calculated based upon 35,051,222 shares of Common Stock outstanding, which includes (i) 28,717,889 shares outstanding as of May 7, 2013, and (ii) the issuance on August 9, 2013 of an additional 6,333,333 shares of Common Stock upon conversion of outstanding shares of the Issuer's Series B-1 Preferred Stock.

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CUSIP NO. 379887201

1	NAME OF REPORTING PERSON Sandra and Norman Pessin JTWROS		
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP		(a) o (b) o
3	SEC USE ONLY		
4	SOURCE OF FUNDS AF		
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)		¨
6	CITIZENSHIP OR PLACE OF ORGANIZATION United States		
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER -0-	
	8	SHARED VOTING POWER 15,276,138 (1)	
	9	SOLE DISPOSITIVE POWER -0-	
	10	SHARED DISPOSITIVE POWER 15,276,138 (1)	
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 15,276,138 (1)		
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES		o
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 43.6% (2)		
14	TYPE OF REPORTING PERSON IN		

(1) Sandra and Norman Pessin JTWROS, as the owner of approximately 46.1% of the limited liability company interests of GP Investment Holdings, LLC, may be deemed to share voting and investment power with the other Reporting Persons with respect to the shares owned directly by of GP Investment Holdings, LLC. Sandra and Norman Pessin JTWROS disclaim beneficial ownership of such shares.

(2) The ownership percentages set forth herein are calculated based upon 35,051,222 shares of Common Stock outstanding, which includes (i) 28,717,889 shares outstanding as of May 7, 2013, and (ii) the issuance on August 9,

2013 of an additional 6,333,333 shares of Common Stock upon conversion of outstanding shares of the Issuer's Series B-1 Preferred Stock.

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CUSIP NO. 379887201

Item 1. Security and Issuer.

This statement on Schedule 13D (this “Schedule 13D”) relates to the common stock, par value $0.0001 per share (“Common Stock”), of Glowpoint, Inc., a Delaware corporation (the “Issuer”). The principal executive offices of the Issuer are located at 430 Mountain Avenue, Suite 301, Murray Hill, NJ 07974.

Item 2. Identity and Background.

(a) Name: This Schedule 13D is being filed on behalf of:

(1) GP Investment Holdings, LLC, a Delaware limited liability company (“GP Investment”). The principal business of GP Investment is to hold shares of the Issuer for investment purposes.

(2) Robert M. Shuford, who is one of the two members of the board of managers and the Chief Executive Officer of GP Investment.

(3) Brian Pessin, who is one of the two members of the board of managers and the President of GP Investment.

(4) Main Street Capital Corporation, a Maryland corporation (“MSCC”). The principal business of MSCC is to act as a principal investment firm primarily focused on providing customized debt and equity financing to lower middle market companies and debt capital to middle market companies.

MSCC owns 50% of the limited liability company interests of GP Investment and may be deemed to beneficially own securities beneficially owned by GP Investment.

and;

(5) Sandra and Norman Pessin JTWROS. The principal occupation of each of Sandra Pessin and Norman Pessin is housewife and investor, respectively.

Brian Pessin and Sandra and Norman Pessin JTWROS own 3.9% and 46.1%, respectively, of the limited liability company interests of GP Investment and may be deemed to beneficially own securities beneficially owned by GP Investment.

GP Investment, Robert M. Shuford, Brian Pessin, MSCC and Sandra and Norman Pessin JTWROS are collectively referred to as the “Reporting Persons”. The Reporting Persons have entered into a Joint Filing Agreement, dated as of August 16, 2013, a copy of which is attached as Exhibit 99.4 to this Schedule 13D.

(b) Business Address:

(1) The business address of GP Investment and MSCC is 1300 Post Oak Boulevard, Suite 800, Houston, Texas 77056.

(2) The business address and principal occupation of Robert M. Shuford is set forth on Schedule 1 hereto.

(3) The business address and principal occupation of Brian Pessin is set forth on Schedule 1 hereto.

(4) The business address of Sandra and Norman Pessin JTWROS is 366 Madison Avenue, 14th Floor, New York, NY 10017.

(c) Executive Officers, Directors, Managers and Control Persons:

(1) Set forth on Schedule 1 and incorporated herein by reference is the name and present principal occupation or employment, and the name, principal business and address of any corporation or other organization in which such employment is conducted, of each of the executive officers and managers of GP Investment as of the date hereof.

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(2) In accordance with the provisions of General Instruction C to Schedule 13D, Schedule 2 attached to this Schedule 13D and incorporated herein by reference provides information with respect to (i) each executive officer, director and manager, as applicable, of MSCC; (ii) each person controlling MSCC; and (iii) each executive officer and director of any corporation or other person ultimately in control of MSCC.

(d) Criminal Proceedings:

(1) Neither GP Investment nor, to the knowledge of GP Investment, any person identified on Schedule 1 attached hereto has been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) during the last five years.

(2) Robert M. Shuford has not been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) during the last five years.

(3) Brian Pessin has not been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) during the last five years.

(4) Neither MSCC nor, to the knowledge of MSCC, any person identified on Schedule 2 attached hereto has been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) during the last five years.

(5) Neither Sandra Pessin nor Norman Pessin have been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) during the last five years.

(e) Civil Proceedings:

(1) Neither GP Investment nor, to the knowledge of GP Investment, any person identified on Schedule 1 attached hereto, during the last five years has been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

(2) Robert M. Shuford, during the last five years, has not been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

(3) Brian Pessin, during the last five years, has not been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

(4) Neither MSCC nor, to the knowledge of MSCC, any person identified on Schedule 2 attached hereto, during the last five years has been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

(5) Neither Sandra Pessin nor Norman Pessin, during the last five years have been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

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(f) Citizenship:

(1) The managers and executive officers of GP Investment identified on Schedule 1 attached hereto (including Robert Shuford and Brian Pessin) are citizens of the United States unless otherwise noted on Schedule1.

(2) The natural persons identified on Schedule 2 hereto are citizens of the United States unless otherwise noted on Schedule 2.

Item 3. Source and Amount of Funds or Other Consideration.

Pursuant to the Stock Purchase Agreement, effective as of August 9, 2013, by and between Vicis Capital Master Fund (“Vicis”) and GP Investment (the “Stock Purchase Agreement”), GP Investment acquired (i) 8,942,805 shares of Common Stock owned by Vicis and (ii) 95 shares of Series B-1 Preferred Stock of the Issuer (the “Preferred Stock”) owned by Vicis for an aggregate purchase price of $7,500,000. Such shares were acquired with the working capital of GP Investment. The funds used by GP Investment to purchase the Common Stock and Preferred Stock were provided by the members of GP Investment in the following amounts:

Reporting Person	Funds Provided
Main Street Capital Corporation	$3,800,000
Sandra and Norman Pessin JTWROS	$3,500,000
Brian Pessin	$300,000

The foregoing description of the Stock Purchase Agreement is qualified in its entirety by reference to the full and complete text of the Stock Purchase Agreement, which is filed herewith as Exhibit 99.1 and incorporated herein by reference.

The Preferred Stock was subsequently converted to 6,333,333 shares of Common Stock, resulting in total ownership of 15,276,138 shares (the “Shares”) by GP Investment.

MSCC, Main Street Capital II, LP and Main Street Mezzanine Fund LP received 7,345,18,362, and 47,741 shares of Common Stock, respectively, in consideration for their respective interests in Affinity VideoNet, Inc. (“Affinity”) pursuant to an Agreement and Plan of Merger, dated August 12, 2012, by and among the Issuer, GPAV Merger Sub, Inc., and Affinity, filed as Exhibit 2.1 of the Issuer’s Current Report on Form 8-K dated August 12, 2012.

Item 4. Purpose of Transaction.

The Reporting Persons purchased the Shares reported herein based on the Reporting Persons’ belief that the Shares, when purchased, were undervalued and represented an attractive investment opportunity. The Reporting Persons do not have any specific plans or proposals as of the date of this Schedule 13D to purchase additional Common Stock or dispose of the Shares. The Reporting Persons may in the future make additional purchases of Common Stock or dispose of all or a portion of the Shares reported as beneficially owned in this Schedule 13D, either in the open market or in privately negotiated transactions depending on the Reporting Persons’ and the Issuer’s business, prospects, financial condition, the market for the Common Stock, general economic conditions, capital market conditions and other future developments.

No Reporting Person has, as of the date of the filing of this Schedule 13D, any plans or proposals that relate to or would result in:

(a) The acquisition by any person of additional securities of the Issuer, or the disposition of securities of the Issuer;

(b) An extraordinary corporate transaction, such as a merger, reorganization or liquidation, involving the Issuer or any of its subsidiaries;

(c) A sale or transfer of a material amount of assets of the Issuer or of any of its subsidiaries;

(d) Any change in the present board of directors or management of the Issuer, including any plans or proposals to change the number or term of directors or to fill any existing vacancies on the board;

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(e) Any material change in the present capitalization or dividend policy of the Issuer;

(f) Any other material change in the Issuer's business or corporate structure;

(g) Changes in the Issuer's charter, bylaws or instruments corresponding thereto or other actions which may impede the acquisition of control of the Issuer by any person;

(h) A class of securities of the Issuer being delisted from a national securities exchange or ceasing to be authorized to be quoted in an interdealer quotation system of a registered national securities association;

(i) A class of equity securities of the Issuer becoming eligible for termination of registration pursuant to Section 12(g)(4) of the Act; or

(j) Any action similar to any of those enumerated in items (a)-(i) above.

The Reporting Persons intend to review their investment in the Issuer on a continuing basis. In determining from time to time whether to sell the Shares reported as beneficially owned in this Schedule 13D (and in what amounts), to retain such securities or to acquire additional securities, the Reporting Persons intend to take into consideration such factors as they deem relevant, including the business and prospects of the Issuer, anticipated future developments concerning the Issuer, existing and anticipated market conditions from time to time, changes in law and government regulations; general economic conditions, regulatory matters and other opportunities available to the Reporting Persons. The Reporting Persons reserve the right to acquire additional securities of the Issuer in the open market, in privately negotiated transactions (which may be with the Issuer or with third parties) or otherwise, to dispose of all or a portion of their holdings of securities of the Issuer or to change their intention with respect to any or all of the matters referred to in this Item 4.

Item 5. Interest in Securities of the Issuer.

The ownership percentages set forth herein are calculated based upon 35,051,222 shares of Common Stock outstanding, which includes (i) 28,717,889 shares outstanding as of May 7, 2013, and (ii) the issuance on August 9, 2013 of an additional 6,333,333 shares of Common Stock upon conversion of outstanding shares of the Issuer's Series B-1 Preferred Stock.

(a) As of the date hereof, GP Investment directly owned 15,276,138 shares of Common Stock, representing approximately 43.6% of the shares of Common Stock outstanding. By virtue of the relationships described in further detail in Item 2, each of MSCC, Robert M. Shuford, Brian Pessin and Sandra and Norman Pessin JTWROS may be deemed to beneficially own the shares of Common Stock owned directly by GP Investment. Each of MSCC, Robert M. Shuford, Brian Pessin and Sandra and Norman Pessin JTWROS disclaims beneficial ownership of such shares.

As of the date hereof, MSCC directly owned 7,345 shares of the Common Stock, representing less than 1% of the shares of Common Stock outstanding. MSCC may be deemed to beneficially own an additional 47,741 and 18,362 shares of Common Stock, representing less than 1% of the shares of Common Stock outstanding, held by Main Street Mezzanine Fund LP and Main Street Capital II, LP, respectively. Main Street Mezzanine Fund LP and Main Street Capital II, LP are subsidiaries of MSCC. MSCC disclaims beneficial ownership of such shares.

(b) GP Investment may be deemed to share with MSCC, Robert M. Shuford, Brian Pessin and Sandra and Norman Pessin JTWROS the power to vote and dispose of the Common Stock directly owned by GP Investment.

MSCC may be deemed to share with Main Street Mezzanine Fund LP and Main Street Capital II, LP, subsidiaries of MSCC, the power to vote and dispose of the Common Stock directly owned by Main Street Mezzanine Fund LP and Main Street Capital II, LP. MSCC has sole power to vote and dispose of the shares of Common Stock it owns directly.

(c) As described in further detail in Item 3, on August 9, 2013 GP Investment acquired (i) 8,942,805 shares of Common Stock and (ii) 95 shares of Series B-1 Preferred Stock of the Issuer for a purchase price of approximately $0.49 per share on an as-converted-basis, in a private transaction. On August 9, 2013, the Preferred Stock was converted to 6,333,333 shares of Common Stock, resulting in total ownership of 15,276,138 shares of Common Stock. There were no other transactions effected by the Reporting Persons in the Common Stock during the past 60 days.

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(d) No person other than the Reporting Persons is known to have the right to receive, or the power to direct the receipt of dividends from, or proceeds from the sale of, the share of Common Stock.

(e) Not applicable.

Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer.

Stock Purchase Agreement

As described in Item 3 above, pursuant to the Stock Purchase Agreement, GP Investment acquired the Shares from Vicis.

The description herein of the Stock Purchase Agreement is qualified in its entirety by reference to the full and complete text of the Stock Purchase Agreement, which is filed herewith as Exhibit 99.1 and incorporated herein by reference.

Limited Liability Company Agreement

MSCC, Brian Pessin and Sandra and Norman Pessin JTWROS formed GP Investment pursuant to the Limited Liability Company Agreement of GP Investment Holdings, LLC, dated and effective as of August 5, 2013 (the "Limited Liability Company Agreement") for the purpose of acquiring and holding the Shares for investment. The foregoing description of the Limited Liability Company Agreement is qualified in its entirety by reference to the full and complete text of the Limited Liability Company Agreement, which is filed herewith as Exhibit 99.2 and incorporated herein by reference.

Registration Rights Agreement

GP Investment and the Issuer entered into a Registration Rights Agreement, dated as of August 9, 2013 (the "Registration Rights Agreement"), whereby, among other things, the Issuer agreed to effect a registration statement with the Securities and Exchange Commission covering the 6,333,333 received in connection with the conversion of the Preferred Stock and GP Investment agreed not to sell the Shares for up to 365 days, with certain exceptions. The foregoing description of the Registration Rights Agreement is qualified in its entirety by reference to the full and complete text of the Registration Rights Agreement, which is filed herewith as Exhibit 99.3 and incorporated herein by reference.

Joint Filing Agreement

On August 16, 2013, the Reporting Persons entered into a Joint Filing Agreement in which the Reporting Persons agreed to the joint filing on behalf of each of them of statements on Schedule 13D with respect to the securities of the Issuer. A copy of this agreement is attached as Exhibit 99.4 hereto and is incorporated herein by reference.

Other than as described herein, none of the Reporting Persons is a party to any contracts, arrangements, understandings or relationships (legal or otherwise) with respect to any securities of Issuer, including but not limited to transfer or voting of any of the securities, finder's fees, joint ventures, loan or option arrangements, puts or calls, guarantees of profit, division of profits or losses, or the giving or withholding of proxies.

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Item 7. Material to be Filed as Exhibits.

Exhibit No.	Document
99.1	Stock Purchase Agreement, effective as of August 9, 2013, by and between Vicis Capital Master Fund and GP Investment Holdings, LLC.
99.2	Limited Liability Company Agreement of GP Investment Holdings, LLC, dated and effective as of August 5, 2013.
99.3	Registration Rights Agreement, effective as of August 9, 2013, by and between Glowpoint, Inc. and GP Investment Holdings, LLC.
99.4	Joint Filing Agreement, dated as of August 16, 2013, among GP Investment Holdings, LLC, Robert M. Shuford, Brian Pessin, Main Street Capital Corporation and Sandra and Norman Pessin JTWROS.

CUSIP NO. 379887201

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

GP INVESTMENT HOLDINGS, LLC

By:	/s/ Robert M. Shuford	
Name:		Robert M. Shuford
Title:		Chief Executive Officer

By:	/s/ Brian Pessin	
Name:		Brian Pessin
Title:		President

Dated: August 16, 2013

CUSIP NO. 379887201

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

/s/ Robert M. Shuford
Name: Robert M. Shuford

Dated: August 16, 2013

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CUSIP NO. 379887201

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

/s/ Brian Pessin
Name: Brian Pessin

Dated: August 16, 2013

CUSIP NO. 379887201

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

MAIN STREET CAPITAL CORPORATION

By:	/s/ Robert M. Shuford
Name:	Robert M. Shuford
Title:	Managing Director

Dated: August 16, 2013

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CUSIP NO. 379887201

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

SANDRA AND NORMAN PESSIN JTWROS

/s/ Sandra Pessin
Name: Sandra Pessin

/s/ Norman Pessin
Name: Norman Pessin

Dated: August 16, 2013

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SCHEDULE 1

EXECUTIVE OFFICERS AND MANAGERS OF GP INVESTMENT HOLDINGS, LLC

Executive Officers of GP Investment Holdings, LLC

Name	Position
Robert M. Shuford	Chief Executive Officer
Brian Pessin	President

Individuals named in the table above are employed as listed in table below. The address of the principal executive offices of GP Investment Holdings, LLC is 1300 Post Oak Boulevard, Suite 800, Houston, Texas 77056.

Managers of GP Investment Holdings, LLC

Name	Present Principal Occupation or Employment	Name, Principal Business and Address of Organization in which Employed
Robert M. Shuford	Managing Director	Main Street Capital Corporation 1300 Post Oak Boulevard, Suite 800 Houston, Texas 77056
Brian Pessin	Self-employed	366 Madison Avenue, 14th Floor New York, NY 10017

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SCHEDULE 2

EXECUTIVE OFFICERS, DIRECTORS AND CONTROL PERSONS
OF MAIN STREET CAPITAL CORPORATION

The name and present principal address of each executive officer and director of each of Main Street Capital Corporation, each person controlling Main Street Capital Corporation, and each executive officer and director of any corporation or other person ultimately in control of Main Street Capital Corporation are set forth below. Unless otherwise noted, the business address for each person listed below as an officer or director of Main Street Capital Corporation is c/o Main Street Capital Corporation, 1300 Post Oak Boulevard, Suite 800, Houston, Texas 77056. All executive officers, directors, and controlling persons listed are United States citizens.

Name and Business Address (if applicable)	Principal Occupation and Principal Business (if applicable)
Directors	
Michael Appling, Jr.	CEO, TNT Crane & Rigging, Inc. 925 S Loop W Houston, TX 77054
Joseph E. Canon	Executive VP, Dodge Jones Foundation 400 Pine St Abilene, TX 79601
Arthur L. French	Advisor to LKCM Capital Group 301 Commerce St #1600 Fort Worth, TX 76102
J. Kevin Griffin	Senior VP of Financial Planning & Analysis, Novant Health 2085 Frontis Plaza Blvd Winston-Salem, NC 27103
John E. Jackson	CEO, Spartan Energy Partners 24 Waterway Avenue, Suite 850 The Woodlands, TX 77380
Vincent D. Foster	Chairman of the Board, CEO and President, Main Street Capital Corporation
Officers	
Vincent D. Foster	Chairman of the Board, President and Chief Executive Officer
Dwayne L. Hyzak	Chief Financial Officer, Senior Managing Director and Treasurer
Curtis L. Hartman	Chief Credit Officer and Senior Managing Director
David L. Magdol	Chief Investment Officer and Senior Managing Director
Rodger A. Stout	Executive Vice President
Jason B. Beauvais	Senior Vice President, General Counsel, Chief Compliance Officer and Secretary
Nicholas T. Meserve	Managing Director
Robert M. Shuford	Managing Director
Shannon D. Martin	Vice President, Chief Accounting Officer and Assistant Treasurer

font>
176,645

—

176,645

Other comprehensive loss
—

—

—

—

(1,116
)

(1,116
)
Restricted stock awards
207

207

(207
)

—

—

—

Exercise of employee stock options
196

196

3,066

—

—

3,262

Stock option and restricted stock award compensation expense
—

—

7,709

—

—

7,709

June 30, 2012
65,363

$
65,363

$
155,652

$
1,620,915

$
(2,643
)

$
1,839,287

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

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ATWOOD OCEANICS, INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. UNAUDITED INTERIM INFORMATION

The unaudited interim condensed consolidated financial statements of Atwood Oceanics, Inc. and its subsidiaries as of June 30, 2012, and for the three and nine months ended June 30, 2012 and 2011, included herein, have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial information and with the instructions for Form 10-Q and Article 10 of Regulation S-X. Unless otherwise indicated, references to “we”, “us”, “our” and the “Company” refer collectively to Atwood Oceanics, Inc., its subsidiaries and affiliates. The year-end condensed consolidated balance sheet data was derived from the audited financial statements as of September 30, 2011. Although these financial statements and related information have been prepared without audit, and certain information and note disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted, we believe that the note disclosures are adequate to make the information not misleading. The interim financial results may not be indicative of results that could be expected for a full fiscal year. It is suggested that these unaudited condensed consolidated financial statements be read in conjunction with the audited consolidated financial statements and the notes thereto included in our Annual Report to Shareholders for the year ended September 30, 2011. In our opinion, the unaudited interim financial statements reflect all adjustments considered necessary for a fair statement of our financial position, results of operations and cash flows for the periods presented.

2. EARNINGS PER COMMON SHARE

The computation of basic and diluted earnings per share is as follows (in thousands, except per share amounts):

	Three Months Ended			Nine Months Ended		
	Net Income	Shares	Per Share Amount	Net Income	Shares	Per Share Amount
June 30, 2012						
Basic earnings per share	$51,711	65,362	$0.79	$176,645	65,221	$2.71
Effect of dilutive securities:						
Stock options	—	461	$—	—	494	$(0.02)
Diluted earnings per share	$51,711	65,823	$0.79	$176,645	65,715	$2.69
June 30, 2011						
Basic earnings per share	$75,285	64,820	$1.16	$198,747	64,689	$3.07
Effect of dilutive securities:						
Stock options	—	650	$(0.01)	—	666	$(0.03)
Diluted earnings per share	$75,285	65,470	$1.15	$198,747	65,355	$3.04

The calculation of diluted earnings per share for the three and nine months ended June 30, 2012 and 2011 excludes shares of common stock related to approximately 672,000 and 684,000 outstanding stock options, respectively, because such options were anti-dilutive. These options could potentially dilute basic earnings per share in the future.

3. SHARE-BASED COMPENSATION

Share-based compensation cost is measured at the grant date, based on the estimated fair value of the award, and is recognized as an expense over the requisite service period, which is generally the vesting period of the equity award.

As of June 30, 2012, unrecognized compensation cost, net of estimated forfeitures, related to stock options and restricted stock awards was approximately $7.1 million and $14.8 million, respectively, which we expect to recognize over a weighted average period of approximately 2.4 years.

Stock Options

Under our stock incentive plans, the exercise price of each stock option must be equal to or greater than the fair market value of our common stock on the date of grant, with all outstanding options having a maximum term of 10 years. Options vest

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ratably over a period from the end of the first to the fourth year from the date of grant. Each option is for the purchase of one share of our common stock.

The per share weighted average fair value of stock options granted during the nine months ended June 30, 2012 was $16.90. We estimated the fair value of each stock option then outstanding using the Black-Scholes pricing model and the following assumptions for the nine months ended June 30, 2012:

Risk-Free Interest Rate	0.9	%
Expected Volatility	44	%
Expected Life (Years)	5.4	
Dividend Yield	None	

The average risk-free interest rate is based on the five-year U.S. treasury security rate in effect as of the grant date. We estimated expected volatility using six-year historical volatility and estimated the expected term of the stock options using historical data for the last ten years. We have never paid any cash dividends on our common stock.

A summary of stock option activity during the nine months ended June 30, 2012 is as follows:

	Number of Options (000s)	Wtd. Avg. Exercise Price	Wtd. Avg. Remaining Contractual Life (Years)	Aggregate Intrinsic Value (000s)
Outstanding at September 30, 2011	1,480	$25.44	6.1	$13,198
Granted	320	$41.60		
Exercised	(196)	$16.72		$5,828
Forfeited	(59)	$36.34		
Outstanding at June 30, 2012	1,545	$29.48	6.3	$12,934
Exercisable at June 30, 2012	950	$24.03	4.9	$13,117

Restricted Stock

We have awarded restricted stock under the 2007 Plan to certain employees and to our non-employee directors. All current awards of restricted stock to employees are subject to a vesting and restriction period ranging from three to four years, subject to early termination as provided in the 2007 Plan. In addition, certain awards of restricted stock are subject to market conditions. All awards of restricted stock to non-employee directors are subject to a vesting and restriction period of a minimum of 13 months, subject to early termination as provided in the 2007 Plan. We value restricted stock awards based on the fair market value of our common stock on the date of grant and also adjust fair market value for any awards subject to market conditions, where applicable.

A summary of restricted stock activity for the nine months ended June 30, 2012 is as follows:

	Number of Shares (000s)	Wtd. Avg. Fair Value
Unvested at September 30, 2011	560	$34.54
Granted	391	$41.36
Vested	(207)	$33.07
Forfeited	(41)	$38.49
Unvested at June 30, 2012	703	$38.54

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4. PROPERTY AND EQUIPMENT

A summary of property and equipment by classification is as follows (in thousands):

(In thousands)	June 30, 2012	September 30, 2011
Drilling vessels and equipment	$1,624,065	$1,578,592
Construction work in progress	1,212,129	736,827
Drill pipe	19,407	18,182
Office equipment and other	17,292	8,800
Cost	2,872,893	2,342,401
Less: Accumulated depreciation	(500,447)	(455,080)
Drilling and other property and equipment, net	$2,372,446	$1,887,321

Property and equipment are recorded at cost. Interest incurred related to property under construction is capitalized as a component of construction costs. Interest capitalized during the three months ended June 30, 2012 and 2011 was approximately $9.8 million and $2.4 million and $25.8 million and $4.7 million for the nine month period ending June 30, 2012 and 2011, respectively.

New Construction Projects

As of June 30, 2012, we had expended approximately $1.2 billion towards our six drilling units under construction, including the Atwood Condor, which was placed into service in early July 2012. Total unpaid firm commitments for our remaining five drilling units currently under construction are approximately $1.2 billion.

5. LONG-TERM DEBT

A summary of long-term debt is as follows (in thousands):

	June 30, 2012	September 30, 2011
Senior Notes, bearing fixed interest at 6.5% per annum	$450,000	$—
Credit Facility, bearing interest at approximately 3.3%(1) per annum at June 30, 2012 and 3.1%(1) per annum at September 30, 2011.	205,000	520,000
(1) After the impact of our interest rate swaps.	$655,000	$520,000

Senior Notes

In January 2012, we issued $450 million aggregate principal amount of our 6.50% Senior Notes due 2020 (the "Notes"). We received net proceeds, after deducting underwriting discounts and estimated offering expenses, of approximately $440 million. We used the net proceeds to reduce outstanding borrowings under our credit facility.

The Notes are our senior unsecured obligations and are not currently guaranteed by any of our subsidiaries. Interest is payable on the Notes semi-annually in arrears. The indenture governing the Notes contains provisions that limit our ability and the ability of our restricted subsidiaries to incur or guarantee additional indebtedness or issue preferred stock; pay dividends or make other restricted payments; sell assets; make investments; create liens; enter into agreements that restrict dividends or other payments from our restricted subsidiaries to us; and consolidate, merge or transfer all or substantially all of our assets. Many of these restrictions will terminate if the Notes become rated investment grade. The indenture governing the Notes also contains customary events of default, including payment defaults; defaults for failure to comply with other covenants in the indenture; cross-acceleration and entry of final judgments in excess of $50.0 million; and certain events of bankruptcy, in certain cases subject to notice and grace periods. We are required to offer to repurchase the Notes in connection with specified change in control events or with excess proceeds of asset sales not applied for permitted purposes.

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Credit Facility

As of June 30, 2012, we had $205.0 million of outstanding borrowings under our five-year $750 million senior secured revolving credit facility, which we entered into in May 2011. Our subsidiary, Atwood Offshore Worldwide Limited ("AOWL"), is the borrower under the credit facility, and we and certain of our other subsidiaries are guarantors under the facility. Borrowings under the credit facility bear interest at the Eurodollar rate plus a margin of 2.5% (approximately 3.3% per annum at June 30, 2012, after considering the impact of our interest rate swaps). Certain borrowings effectively bear interest at a fixed rate due to our interest rate swaps. The credit facility also provides for the issuance, when required, of standby letters of credit. The credit facility has a commitment fee of 1.0% per annum on the unused portion of the underlying commitment. Subject to the satisfaction of certain conditions precedent and the agreement by the lenders, the credit facility includes an "accordion" feature which, if exercised, will increase total commitments by up to $350 million for a total commitment of up to $1.1 billion.

We were in compliance with all financial covenants under the credit facility at June 30, 2012.

As of June 30, 2012, three of our five interest rate swap agreements outstanding were in effect to fix the interest rate on $150.0 million of our borrowings under the credit facility at 3.5% through September 2014.

6. INTEREST RATE SWAPS

Our credit facility exposes us to short-term changes in market interest rates as our interest obligations on these instruments are periodically re-determined based on the prevailing Eurodollar rate. We enter into interest rate swaps to limit our exposure to fluctuations in interest rates. We do not engage in derivative transactions for speculative or trading purposes and we are not a party to leveraged derivatives.

Currently, we have five executed interest rate swap agreements outstanding covering $250 million of our borrowings under the credit facility. In February 2012, we temporarily suspended four swaps for periods ranging from two to five months due to the repayment of borrowings under the credit facility following the issuance of the Notes. During the quarter ended June 30, 2012, two of the suspended swaps became active again, resulting in a total of three interest rate swap agreements in effect to fix the interest rate on $150.0 million of our borrowings under the credit facility at 3.5%. The remaining two suspended swaps will become active again in the quarter ended September 30, 2012. When all five swaps are active, the swaps fix the interest rate on $250 million of borrowings under the credit facility at a weighted average interest rate of 3.4% through September 2014.

Fair Value of Derivatives

The following table presents the carrying amount of our cash flow hedge derivative contracts included in the Consolidated Balance Sheets as of June 30, 2012 and September 30, 2011 (in thousands):

Type of Contract	Balance Sheet Classification	June 30 2012	September 30 2011
Short term interest rate swaps	Accrued liabilities	$1,481	$988
Long term interest rate swaps	Other long-term liabilities	1,235	631
Total derivative contracts, net		$2,716	$1,619

We record the interest rate derivative contracts at fair value on our consolidated balance sheets (See Note 8). Hedging effectiveness is evaluated each quarter end using the "Dollar Off-Set Method". Each quarter, changes in the fair values will adjust the balance sheet asset or liability, with an offset to Other Comprehensive Income ("OCI") for the effective portion of the hedge.

For the three and nine months ended June 30, 2012, we recognized a loss of approximately $0.6 million and $1.1 million, respectively, in OCI as a result of changes in fair value of our interest rate swaps as of June 30, 2012, net of realized losses incurred via settlement payments throughout the period, and as a result of a loss realized from hedge ineffectiveness.

For interest rate swaps, we evaluate all material terms between the swap and the underlying debt obligation. Any change in fair value resulting from ineffectiveness is recognized immediately in earnings. For the nine months ended June 30, 2012, we recognized a $0.4 million loss on our condensed consolidated statement of operations due to hedge ineffectiveness. No loss was recognized during the quarter ended June 30, 2012 due to ineffectiveness.

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7. INCOME TAXES

Our consolidated effective income tax rate for the three and nine months ended June 30, 2012 was approximately 17% and 13%, respectively, which includes an approximate $6.4 million tax benefit recognized during the previous quarter related to the settlement of a foreign tax examination.

We record estimated accrued interest and penalties related to uncertain tax positions as income tax expense. At June 30, 2012, we had approximately $8.0 million of reserves for uncertain tax positions, including estimated accrued interest and penalties of $2.3 million, which are included in Other Long Term Liabilities in the Consolidated Balance Sheet. None of our reserves for uncertain tax positions relate to timing differences. Accordingly, all $8.0 million of the net uncertain tax liabilities would affect the effective tax rate if recognized.

Our United States tax returns for fiscal year 2009 and subsequent years remain subject to examination by tax authorities. As we conduct business globally, we have various tax years that remain open to examination in various international tax jurisdictions. We do not anticipate that any tax contingencies resolved during the next 12 months will have a material impact on our consolidated financial position, results of operations or cash flows.

8. FAIR VALUE

We have certain assets and liabilities that are required to be measured and disclosed at fair value in accordance with generally accepted accounting principles (“GAAP”). Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date.

The established GAAP fair value hierarchy prioritizes inputs to valuation techniques used to measure fair value into three levels. Priority is given to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). Assets and liabilities measured at fair value are classified based on the lowest level of input that is significant to the fair value measurement. Our assessment of the significance of a particular input to the fair value measurement requires judgment, which may affect the valuation of the fair value of assets and liabilities and their placement within the fair value hierarchy levels. The determination of the fair values, stated below, takes into account the market for our financial assets and liabilities, the associated credit risk and other considerations.

We have classified and disclosed fair value measurements using the following levels of the fair value hierarchy:

Level 1: Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.
Level 2: Quoted prices in markets that are not active, or inputs which are observable, either directly or indirectly, for substantially the full term of the asset or liability.
Level 3: Measurement based on prices or valuation models that require inputs that are both significant to the fair value measurement and less observable for objective sources (i.e., supported by little or no market activity).

Fair value of Certain Assets and Liabilities

The fair value of cash and cash equivalents, accounts receivable and accounts payable approximate fair value because of their short term maturities.

Fair Value of Financial Instruments

The fair value of financial instruments is determined by using quoted market prices when available. When quoted prices are not available, independent third party services may be used to determine the fair value with reference to observable inputs used. When independent third party services are used, we obtain an understanding of how the fair values are derived and selectively corroborate fair values by reviewing other readily available market based sources of information. Valuation policies and procedures are determined and monitored by our treasury department, which reports to our Senior Vice-President and Chief Financial Officer.

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The following table sets forth the estimated fair value of certain financial instruments at June 30, 2012, which are measured and recorded at fair value on a recurring basis:

	June 30, 2012				
		Fair Value Measurement			
	Carrying Amount	Level 1	Level 2	Level 3	Estimated Fair Value
Interest rate swaps	$2,716	$—	$2,716	$—	$2,716

Interest rate swaps - The fair values of our interest rate swaps are based upon valuations calculated by an independent third party. The derivatives were valued according to the "Market approach" where possible, and the "Income approach" otherwise. A third party independently valued each instrument using forward price data supplied by dealers and the Chicago Mercantile Exchange (the exchange on which similar derivatives trade) indexed to one month USD LIBOR as of June 29, 2012, and broker quotes for credit default swaps or related credit instruments. It was determined that the contribution of the credit valuation adjustment to total fair value is less than 2.5% for all derivatives and is therefore not significant. Based on valuation inputs for fair value measurement and independent review performed by third party consultants, we have classified our derivative contracts as Level 2.

Long-term Debt – Our long-term debt consists of both our Notes and our credit facility.

Credit Facility – The carrying amounts of our variable-rate debt approximates fair value because such debt bears short-term, market-based interest rates. We have classified this instrument as Level 2 as valuation inputs for purposes of determining our fair value disclosure are readily available published Eurodollar rates.

Notes – The carrying value of our Notes is $450 million while the fair value of those Notes is $466.4 million, based upon a valuation calculated by an independent third party. The third party conducted independent research concerning interest rates and credit risk and relied on market sources to assess the LIBOR swap curve data as well as information provided in the debt purchase agreement. We have classified this instrument as Level 2 as valuation inputs for fair value measurements are quoted market prices for the Notes obtained from independent third party sources on June 30, 2012. The fair value amount has been calculated using these quoted prices. However, no assurance can be given that the fair value would be the amount realized in an active market exchange.

9. RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

In May 2011, the Financial Accounting Standards Board issued Accounting Standards Update 2011-04, “Fair Value Measurement (Topic 820): Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRS”. The amendment clarifies existing fair value measurement and disclosure requirements, amends certain fair value measurement principles and requires additional disclosures about fair value measurements. We adopted the accounting standard effective January 1, 2012, with no material impact to our financial statements or disclosures in our financial statements.

10. COMMITMENTS AND CONTINGENCIES

Litigation

We are party to a number of lawsuits which are ordinary, routine litigation incidental to our business, the outcome of which, individually, or in the aggregate, is not expected to have a material adverse effect on our financial position, results of operations, or cash flows.

Other Matters

The Atwood Beacon operated in India from early December 2006 to the end of July 2009. A service tax was enacted in India in 2004 on revenues derived from seismic and exploration activities. This service tax law was subsequently amended in June 2007 and again in May 2008 to state that revenues derived from mining services and drilling services were specifically subject to this service tax. The contract terms with our customer in India provided that any liability incurred by us related to any taxes pursuant to laws not in effect at the time the contract was executed in 2005 was to be reimbursed by our customer. We believe any service taxes assessed by the Indian tax authorities under the 2007 or 2008 amendments are an obligation of our customer. Our customer is disputing this obligation on the basis that revenues derived from drilling services were taxable under

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the initial 2004 law, and are, therefore, our obligation.

After reviewing the status of the drilling service we provided to our customer, the Indian tax authorities assessed service tax obligations on revenues derived from the Atwood Beacon commencing on June 1, 2007. The relevant Indian tax authority issued an extensive written ruling setting forth the application of the June 1, 2007 service tax regulation and confirming the position that the drilling services, including the services performed under our contract with our customer prior to June 1, 2007, were not covered by the 2004 service tax law. The ruling of the Indian tax authority is currently subject to the review of the Tax Appeal Tribunal.

As of June 30, 2012, we have paid to the Indian government $10.1 million in service taxes and have accrued $1.8 million of additional service tax obligations in accrued liabilities on our consolidated balance sheets, for a total of $11.9 million relating to service taxes. We expect to collect all amounts outstanding, as such, we have recorded a corresponding $11.9 million long-term other receivable due from our customer relating to service taxes due under the contract. We intend to pursue collection of such amounts from our customer.

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Management's Discussion and Analysis of Financial Condition and Results of Operations should be read in conjunction with the accompanying unaudited condensed consolidated financial statements as of June 30, 2012 and for the three and nine months ended June 30, 2012 and 2011 included elsewhere herein, and with our Annual Report on Form 10-K for the fiscal year ended September 30, 2011. The following discussion and analysis contains forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors, including those set forth under "Risk Factors" in Item 1A of our Annual Report on Form 10-K for the fiscal year ended September 30, 2011 and elsewhere in this Quarterly Report. See "Forward-Looking Statements" below.

OVERVIEW

The following discussion is intended to assist in understanding our financial position at June 30, 2012, and our results of operations for the three and nine months ended June 30, 2012 and 2011. Financial and operating results for the three months ended June 30, 2012, include:

- Operating revenues totaling $179 million on 594 operating days as compared to $162 million on 536 operating days for the three months ended June 30, 2011;
- Net income of $52 million as compared to $75 million for the three months ended June 30, 2011;
- Net cash provided by operating activities of $82 million as compared to $96 million for the three months ended June 30, 2011; and
- Capital expenditures of $197 million as compared to $78 million for the three months ended June 30, 2011.

MARKET OUTLOOK

Industry Conditions

Through the first half of 2012, global offshore drilling activity has remained robust based on absolute levels of both rig utilization and dayrates. This robust activity is evident in all rig asset segments, with particular strength in the ultra-deepwater and deepwater segments. These solid industry fundamentals persist despite the recent volatility in oil prices.

Demand for commodities, especially oil, is dependent on the health of the global economy. Global economic growth has continued to slow in 2012 increasing the risk of downward pressure on commodity prices. The European sovereign liquidity and solvency crises, coupled with an economic growth slowdown in the Chinese economy and uncertainty as to the strength of the United States economic recovery, may impede future economic growth. Any significant slowdown in global economic growth could result in an excess of oil supply over demand which, in turn, may lead to lower oil prices in the future and negatively impact the offshore drilling industry.

Offshore drilling activity in the U.S. Gulf of Mexico (the "US GOM") has returned to levels the industry last experienced in April 2010 prior to the Macondo well incident. Although risks remain, including the risks raised by third party environmental lawsuits targeting the permitting process and the risk of the enactment of new drilling regulations, we are encouraged by the level of permitting activity and, absent any significant safety or environmental event, expect drilling activity to continue to increase in the US GOM.

New build rig announcements have slowed significantly since late 2011. After seeing a total of 40 drillships ordered during the twelve months ended November 30, 2011, only 11 drillships (excluding those ordered by Sete Brasil) have been ordered since that time. This slowdown is primarily the result of there being only a limited number of offshore drilling contractors with an aggregate of 40 uncontracted floating rigs currently under construction, a lack of visibility as to the sustainability of the global economic recovery and the reduction in speculative financing for new build orders. This decrease in the level of new build orders, together with the continued weakness in the shipping industry, has resulted in new build construction prices remaining attractive as compared to previous market cycles.

Deepwater and Ultra-deepwater

Deepwater and ultra-deepwater rig utilization were 98% and 100%, respectively, during the quarter ended June 30, 2012. These tight utilization levels have resulted in recent day rates on new contracts approaching $450,000 and $600,000, respectively, for deepwater and ultra-deepwater rigs.

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The Atwood Condor, a dynamically positioned, 10,000 foot water depth ultra-deepwater semisubmersible, which was placed into service in early July 2012, at a total cost, including project management, drilling, handling tools and spares, of approximately $750 million. The Atwood Condor is currently mobilizing to the US GOM to begin a 21-month contract. The rig is expected to arrive on location in the US GOM in late October 2012.

In April 2012, the Atwood Osprey, a moored 8,200 foot water depth ultra-deepwater semisubmersible, received a three-year extension of its contract in Australia and is now contracted through mid-2017. The Atwood Eagle and Atwood Falcon, both deepwater semisubmersibles, are contracted through the second quarter of fiscal year 2014 and the first quarter of fiscal year 2015, respectively. Finally, the Atwood Hunter, a deepwater semisubmersible, will complete its four-year contract in October 2012. Thereafter the rig will begin a three well program, which is expected to provide work into July 2013.

The Atwood Advantage, a DP-3 dynamically-positioned, dual derrick, ultra-deepwater drillship rated to operate in water depths up to 12,000 feet, is currently under construction at the Daewoo Shipbuilding & Marine Engineering ("DSME") shipyard in South Korea. The Atwood Advantage will have enhanced technical capabilities, including a seven-ram blowout preventer (“BOP”), the ability to have two BOPs, three 100-ton knuckle boom cranes, a 165-ton active heave “tree-running” knuckle boom crane and 200 person accommodations. The Atwood Advantage is expected to be delivered in September 2013 at a total cost, including project management, drilling and handling tools and spares, of approximately $600 million.

The Atwood Achiever, which is also currently under construction at the DSME shipyard in South Korea, is identical in all material respects to the Atwood Advantage. The Atwood Achiever is scheduled for delivery in June 2014 at a total cost, including project management, drilling and handling tools and spares, of approximately $600 million.

We have until September 30, 2012 to exercise our option to build an additional ultra-deepwater drillship with DSME. In determining whether to exercise this option the Company will consider several factors, including the absolute level of oil and gas prices, the magnitude of its the contract drilling revenue backlog, the current and prospective supply and demand dynamics of the ultra-deepwater drilling segment, current ultra-deepwater contract dayrates and newbuild drillship construction prices.

Although we currently do not have drilling contracts for the Atwood Advantage or the Atwood Achiever, we expect that the demand for ultra-deepwater drilling capacity in established and emerging basins should provide us with opportunities to contract these two rigs prior to their delivery dates.

As of June 30, 2012, we had invested approximately $1.1 billion toward the construction of the Atwood Condor, the Atwood Advantage, and the Atwood Achiever.

Jack-ups

Although the bifurcation in day rates and utilization levels between standard and high-specification jack-up rigs has narrowed slightly from previous quarters, exploration and production companies appear to remain willing to pay higher day rates for higher specification equipment. Currently, high-specification jack-up rigs are achieving marketed utilization levels of approximately 98% as compared to approximately 90% for the remainder of the global jack-up fleet. High-specification rigs continue to represent less than 30% of the global jack-up fleet. We expect this trend to become more accentuated as the majority of the older standard rigs are now contracted. There are currently 54 uncontracted high-specification new build rigs scheduled for delivery through 2014.

Currently, the Atwood Aurora is contracted through August 2013 while the Atwood Beacon is contracted through February 2013. The Vicksburg, our only standard jack-up, is contracted through December 2013.

We currently have three Pacific Class 400 high-specification jack-up drilling units, the Atwood Mako, the Atwood Manta and the Atwood Orca, under construction at the PPL Shipyard Pte. Ltd. ("PPL") shipyard in Singapore. These new rigs will have a rated water depth of 400 feet, accommodations for 150 personnel and significant offline handling features. The three rigs are expected to cost approximately $190 million each, including project management, drilling and handling tools, and spares and are scheduled for delivery in September 2012, December 2012 and June 2013, respectively. These three rigs are currently ahead of their construction schedules.

The Atwood Mako is expected to begin a one-year contract in Thailand directly after mobilization from the shipyard in Singapore in early-September. We expect to contract the the Atwood Manta and Atwood Orca prior to its delivery date due to the strong demand for newer, more capable high-specification assets.

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As of June 30, 2012, we had invested approximately $119.8 million toward the construction of the Atwood Mako, the Atwood Manta, and the Atwood Orca.

Idled Rigs

During fiscal year 2010, the Atwood Southern Cross, Richmond and Seahawk completed their drilling contracts and were subsequently idled. In July 2012, we completed the disposition of the Richmond for approximately $7.0 million which approximates the book value of the rig at June 30, 2012. With respect to the remaining two idled rigs, we do not anticipate these units returning to service in the near term due to the lack of sufficient continuous demand. Neither rig is being actively marketed at this time.

Contract Backlog

We maintain a backlog of commitments for contract drilling revenues. Our contract backlog at June 30, 2012 was approximately $2.1 billion, representing a 110% increase compared to our contract backlog of $1.0 billion at June 30, 2011. We calculate our contract backlog by multiplying the day rate under our drilling contracts by the number of days remaining under the contract, assuming full utilization. The calculation does not include any revenues related to other fees such as for mobilization, demobilization, contract preparation, customer reimbursables and bonuses. The amount of actual revenues earned and the actual periods during which revenues are earned will be different from the amounts disclosed in our backlog calculations due to various factors, including unscheduled repairs, maintenance, weather and other factors. Such factors may result in lower applicable day rates than the full contractual day rate. In addition, under certain circumstances, our customers may seek to terminate or renegotiate our contracts. See “Risks Related to our Business-Our business may experience reduced profitability if our customers terminate or seek to renegotiate our drilling contracts” under Part I., Item 1A. in our Annual Report on Form 10-K for the fiscal year ended September 30, 2011.

The following table sets forth, as of June 30, 2012, the amount of our contract drilling revenue backlog and the percent of available operating days committed for our actively-marketed drilling units for the periods indicated (dollars in millions):

	Fiscal 2012	Fiscal 2013	Fiscal 2014	Fiscal 2015	2016 and thereafter	Total
Contract Drilling Revenue Backlog						
Ultradeepwater and Deepwater	$187	$738	$542	$190	$281	$1,938
Jack-ups	35	97	—	—	—	132
	$222	$835	$542	$190	$281	$2,070
Percent of Available Operating Days Committed	100 %	66 %	28 %	9 %		

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RESULTS OF OPERATIONS

Operating Revenues—Revenues for the three and nine months ended June 30, 2012 increased approximately $16.5 million, or 10%, and $67.4 million, or 14%, respectively, compared to the three and nine months ended June 30, 2011. A comparative analysis of revenues is as follows:

REVENUES
(In millions)

	Three Months Ended June 30,			Nine Months Ended June 30,		
	2012	2011	Variance	2012	2011	Variance
Atwood Osprey	$45.0	$16.2	$28.8	$124.3	$16.2	$108.1
Atwood Eagle	31.6	39.6	(8.0)	102.2	104.6	(2.4)
Atwood Falcon	18.3	39.0	(20.7)	62.8	118.5	(55.7)
Atwood Hunter	48.2	40.4	7.8	143.5	140.2	3.3
Atwood Beacon	10.8	12.2	(1.4)	33.8	34.1	(0.3)
Atwood Aurora	14.9	6.1	8.8	40.6	28.5	12.1
Vicksburg	8.3	8.8	(0.5)	26.2	25.6	0.6
Other	1.5	(0.2)	1.7	1.5	(0.2)	1.7
	$178.6	$162.1	$16.5	$534.9	$467.5	$67.4

The Atwood Osprey commenced drilling operations in late May 2011 offshore Australia, and thus, earned only one month of revenue in the prior fiscal periods.

The decrease in revenues for the Atwood Eagle during the three months ended June 30, 2012 is due primarily to the rig working on a lower day rate contract as compared to the prior fiscal year quarter. Revenues for the nine months ended June 30, 2012 were relatively consistent with the prior fiscal year period.

The decrease in revenues for the Atwood Falcon during the three and nine months ended June 30, 2012 is due primarily to the rig working at a lower day rate when compared to the prior fiscal periods and the rig undergoing a shipyard project for certain upgrades from February to May 2012. Following completion of such upgrades, the rig relocated to work offshore Australia and began operations in late May 2012.

The increase in revenues for the Atwood Hunter for the three and nine months ended June 30, 2012, as compared to prior periods, is primarily due to higher utilization in the current fiscal periods as a result of downtime incurred for unplanned maintenance in the third quarter of the prior fiscal year.

Revenues for the Atwood Beacon remained relatively consistent during the three and nine months ended June 30, 2012 when compared to the prior fiscal periods.

The increase in revenues for the Atwood Aurora for the three and nine months ended June 30, 2012, as compared to prior periods, is due to the rig working on a higher day rate contract during the current fiscal period and undergoing a shipyard project for certain enhancements during the prior fiscal year periods. After the shipyard project, the rig relocated in late September 2011 to work offshore West Africa where it is currently operating.

Revenues for the Vicksburg remained relatively consistent during the three and nine months ended June 30, 2012 when compared to the prior fiscal periods.

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Contract Drilling Costs—Contract drilling costs for the three and nine months ended June 30, 2012, increased approximately $34.4 million, or 65%, and $83.3 million, or 51%, respectively, compared to the three and nine months ended June 30, 2011. An analysis of contract drilling costs by rig is as follows:

CONTRACT DRILLING COSTS
(In millions)

	Three Months Ended June 30,			Nine Months Ended June 30,		
	2012	2011	Variance	2012	2011	Variance
Atwood Osprey	$16.1	$6.5	$9.6	$48.2	$8.4	$39.8
Atwood Eagle	14.9	16.7	(1.8)	47.7	49.4	(1.7)
Atwood Falcon	21.0	7.9	13.1	41.4	23.0	18.4
Atwood Hunter	11.7	7.1	4.6	37.6	26.0	11.6
Atwood Beacon	7.6	7.2	0.4	23.5	23.6	(0.1)
Atwood Aurora	7.4	3.7	3.7	24.6	14.6	10.0
Vicksburg	4.8	3.7	1.1	15.2	11.9	3.3
Other	3.9	0.2	3.7	6.9	4.9	2.0
	$87.4	$53.0	$34.4	$245.1	$161.8	$83.3

The Atwood Osprey, commenced drilling operations in late May 2011 offshore Australia, and, therefore, incurred minimal contract drilling costs in the prior fiscal periods.

Drilling costs for the Atwood Eagle remained relatively consistent compared to the prior fiscal periods.

The increase in contract drilling costs for the Atwood Falcon for the three and nine months ended June 30, 2012, as compared to prior periods, is due to increased maintenance activities during the shipyard project from February 2012 to May 2012.

The increase in contract drilling costs for the Atwood Hunter for the three and nine months ended June 30, 2012 is due primarily to increased equipment related costs associated with maintenance projects and inspections as compared to the prior fiscal periods.

Drilling costs for the Atwood Beacon remained relatively consistent compared to the prior fiscal periods.

The increase in contract drilling costs for the Atwood Aurora for the three and nine months ended June 30, 2012, as compared to prior periods, is attributable primarily to increased costs for monthly amortization charges for mobilization to West Africa and to lower operating expenses incurred due to the shipyard project in the prior fiscal quarter.

The increase in contract drilling costs for the Vicksburg for the three and nine months ended June 30, 2012 is attributable to increased equipment related costs associated with maintenance projects as compared to the prior fiscal year periods.

Other drilling costs for the three and nine months ended June 30, 2012 increased as compared to prior periods due primarily to training costs associated with the preparation of the Atwood Condor for drilling operations in the US GOM commencing in early fiscal year 2013.

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Depreciation—Depreciation expense for the three and nine months ended June 30, 2012 increased approximately $5.3 million, or 51%, and $18.4 million, or 66%, respectively, compared to the three and nine months ended June 30, 2011. A comparative analysis of depreciation expense by rig is as follows:

	DEPRECIATION EXPENSE (In millions)					
	Three Months Ended June 30,			Nine Months Ended June 30,		
	2012	2011	Variance	2012	2011	Variance
Atwood Osprey	$6.2	$1.6	$4.6	$18.7	$1.6	$17.1
Atwood Eagle	1.4	1.2	0.2	4.1	3.6	0.5
Atwood Falcon	1.8	1.3	0.5	4.3	3.9	0.4
Atwood Hunter	1.6	1.6	—	4.8	4.8	—
Atwood Beacon	1.2	1.2	—	3.7	3.5	0.2
Atwood Aurora	1.8	1.8	—	5.6	5.5	0.1
Vicksburg	0.5	0.5	—	1.4	1.5	(0.1)
Other	1.2	1.2	—	3.8	3.6	0.2
	$15.7	$10.4	$5.3	$46.4	$28.0	$18.4

The Atwood Osprey, which was placed into service in late May 2011, incurred only one month of depreciation expense in the prior fiscal year periods.

Depreciation expense for all other rigs has remained relatively consistent during the three and nine months ended June 30, 2012 when compared to the prior fiscal year periods.

General and Administrative—For the three and nine months ended June 30, 2012, general and administrative expenses increased by approximately $2.2 million, or 23%, and $3.0 million, or 9%, respectively, compared to the three and nine months ended June 30, 2011. This is primarily due to increased compensation costs related to an increase in support personnel, which was partially offset by higher expenses in the prior fiscal periods in connection with transition of executive leadership.

Income Taxes—Our effective tax rate was 17% and 13% for the three and nine months ended June 30, 2012, respectively, compared to 14% and 18% for the three and nine months ended June 30, 2011, respectively. The effective tax rate for the nine months ended June 30, 2012 was lower due in part to an approximate $6.4 million tax benefit recognized during the three months ended March 31, 2012 related to the settlement of a foreign tax examination. Additionally, the rates from the prior fiscal periods included a $6.1 million increase in our liability for uncertain tax positions. Our effective tax rates were lower than the statutory rate of 35% as a result of working in certain foreign nontaxable and deemed profit tax jurisdictions.

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LIQUIDITY AND CAPITAL RESOURCES

Capital expenditures totaled $595 million for the nine months ended June 30, 2012. During the nine months ended June 30, 2012, our capital expenditures and working capital needs were funded by cash flows from operations, borrowings under our credit facility and a reduction of cash and cash equivalents. The reduction in cash and cash equivalents was partially offset by a decrease in accounts payable of $41 million, resulting in a decrease in our net working capital to $115 million as of June 30, 2012 from $302 million as of September 30, 2011.

To date, general inflationary trends have not had a material effect on our operating revenues or expenses.

Revolving Credit Facility

As of June 30, 2012, we had $205 million of outstanding borrowings under our five-year $750 million senior secured revolving credit facility. Including the $450 million aggregate principal amount of our senior notes, we had a total debt to capitalization ratio of 26%. As of August 1, 2012, an additional $45 million had been borrowed under our credit facility subsequent to June 30, 2012. Our subsidiary, Atwood Offshore Worldwide Limited ("AOWL"), is the borrower under the credit facility, and we and certain of our other subsidiaries are guarantors under the facility. Borrowings under the credit facility bear interest at the Eurodollar rate plus a margin of 2.5% (approximately 3.3% per annum at June 30, 2012, after considering the impact of our interest rate swaps). Certain borrowings effectively bear interest at a fixed rate due to our interest rate swaps. The credit facility also provides for the issuance, when required, of standby letters of credit. The credit facility has a commitment fee of 1.0% per annum on the unused portion of the underlying commitment. Subject to the satisfaction of certain conditions precedent and the agreement by the lenders, the credit facility includes an "accordion" feature which, if exercised, will increase total commitments by up to $350 million for a total commitment of up to $1.1 billion.

We were in compliance with all financial covenants under the credit facility at June 30, 2012.

Senior Notes

In January 2012, we issued $450 million aggregate principal amount of 6.50% Senior Notes due 2020 (the "Notes"). We received net proceeds, after deducting underwriting discounts and estimated offering expenses, of approximately $440 million. We used the net proceeds to reduce outstanding borrowings under our credit facility.

The Notes are our senior unsecured obligations and are not currently guaranteed by any of our subsidiaries. Interest is payable on the Notes semi-annually in arrears. The indenture governing the Notes contains provisions that limit our ability and the ability of our restricted subsidiaries to incur or guarantee additional indebtedness or issue preferred stock; pay dividends or make other restricted payments; sell assets; make investments; create liens; enter into agreements that restrict dividends or other payments from our restricted subsidiaries to us; and consolidate, merge or transfer all or substantially all of our assets. Many of these restrictions will terminate if the Notes become rated investment grade. The indenture governing the Notes also contains customary events of default, including payment defaults; defaults for failure to comply with other covenants in the indenture; cross-acceleration and entry of final judgments in excess of $50.0 million; and certain events of bankruptcy, in certain cases subject to notice and grace periods. We are required to offer to repurchase the Notes in connection with specified change in control events or with excess proceeds of asset sales not applied for permitted purposes.

Capital Expenditures

We estimate that our total capital expenditures, including maintenance capital expenditures, for fiscal year 2012 will be approximately $780 million, substantially all of which is contractually committed. As of June 30, 2012, we had incurred approximately $595 million of our total expected capital expenditures for fiscal year 2012. The remaining capital expenditures are expected to be funded with cash flows from operations and additional borrowings under our credit facility.

As of June 30, 2012, we had expended approximately $1.2 billion on our six new build drilling units, including the Atwood Condor which was placed into service in early July 2012. The expected costs for the five remaining drilling units currently under construction are as follows (in millions):

Remaining Fiscal 2012	Fiscal 2013	Fiscal 2014	Fiscal 2015	Total
$168	$354	$800	$—	$1,322

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We believe that we will be able to fund all additional construction costs with cash flow from operations and borrowings under our revolving credit facility, which has provisions to increase the total commitment to $1.1 billion as described above.

Other

From time to time, we may seek possible expansion and acquisition opportunities relating to our business, which may include the construction or acquisition of rigs or other businesses in addition to those described in this Quarterly Report. Such determinations will depend on market conditions and opportunities existing at that time, including with respect to the market for drilling contracts and day rates and the relative costs associated with such expansions or acquisitions. The timing, success or terms of any such efforts and the associated capital commitments are not currently known. In addition to cash on hand, cash flow from operations and borrowings under our revolving credit facility, we may seek to access the capital markets to fund such opportunities. Our ability to access the capital markets depends on a number of factors, including, among others, our credit rating, industry conditions, general economic conditions, market conditions and market perceptions of us and our industry. In addition, we continually review the possibility of disposing of assets that we do not consider core to our long-term business plan.

In addition, in the future, we may seek to redeploy our assets to more active regions if we have the opportunity to do so on attractive terms. We frequently bid for or negotiate with customers regarding multi-year contracts that could require significant capital expenditures and mobilization costs. We expect to fund these opportunities primarily with cash on hand, cash flow from operations and borrowings under our revolving credit facility.

Off-Balance Sheet Arrangements

We have no off-balance sheet arrangements as that term is defined in Item 303(a)(4)(ii) of Regulation S-K.

Commitments and Contractual Obligations

For additional information about our commitments and contractual obligations as of September 30, 2011, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Commitments and Contractual Obligations" in our Annual Report to Shareholders for fiscal year 2011, filed as exhibit 13.1 to our Annual Report on Form 10-K for the fiscal year ended September 30, 2011. As of June 30, 2012, other than with respect to the construction contract relating to the Atwood Achiever, the issuance of the Notes and the repayment of borrowings under our credit facility, subsequent borrowings under our credit facility and payments with respect to our new build construction contracts, there were no material changes to this disclosure regarding our commitments and contractual obligations.

FORWARD-LOOKING STATEMENTS

Statements included in this quarterly report regarding future financial performance, capital sources and results of operations and other statements, other than statements of historical fact, that address activities, events or developments that we expect, believe or anticipate will or may occur in the future are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, and Section 21E of the Securities Exchange Act of 1934. Such statements are those concerning strategic plans, expectations and objectives for future operations and performance. When used in this report, the words "believes," "expects," "anticipates," "plans," "intends," "estimates," "projects," "could," "s
"may," or similar expressions are intended to be among the statements that identify forward-looking statements.

Such statements are subject to numerous risks, uncertainties and assumptions that are beyond our ability to control, including, but not limited to:

- prices of oil and natural gas and industry expectations about future prices;
- market conditions, expansion and other development trends in the drilling industry and the global economy in general;
- the operational risks involved in drilling for oil and gas;
- the highly competitive and volatile nature of our business;
- the impact of governmental or industry regulation, both in the United States and internationally;
- the risks of and disruptions to international operations, including political instability and the impact of terrorist acts, acts of piracy, embargoes, war or other military operations;

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- our ability to enter into, and the terms of, future drilling contracts, including contracts for our new build units;
- our ability to retain the business of one or more significant customers;
- our ability to obtain and retain qualified personnel to operate our vessels;
- timely access to spare parts, equipment and personnel to maintain and service our fleet;
- the termination or renegotiation of contracts by customers or payment or other delays by our customers;
- customer requirements for drilling capacity and customer drilling plans;
- the adequacy of sources of liquidity for us and for our customers;
- changes in tax laws, treaties and regulations;
- the risks involved in the construction, upgrade, and repair of our drilling units;
- unplanned downtime and repairs on our rigs; and
- such other risks discussed in Part I, Item 1A. "Risk Factors" in our Form 10-K for fiscal year 2011 and in our other reports filed with the SEC.

Forward-looking statements are made based upon management's current plans, expectations, estimates, assumptions and beliefs concerning future events impacting us and therefore involve a number of risks and uncertainties. We caution that forward-looking statements are not guarantees and that actual results could differ materially from those expressed or implied in the forward-looking statements. Undue reliance should not be placed on these forward-looking statements, which are applicable only on the date hereof. We undertake no obligation to revise or update these forward-looking statements to reflect events or circumstances that arise after the date hereof or to reflect the occurrence of unanticipated events.

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ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to market risk, interest rate risk and foreign currency exchange risk as discussed below:

Interest Rate Risk

The provisions of our credit facility provide for a variable interest rate cost on our $205 million outstanding as of June 30, 2012. However, we employed an interest rate risk management strategy that utilizes derivative instruments with respect to $150 million of our debt as of June 30, 2012 in order to minimize or eliminate unanticipated fluctuations in earnings and cash flows arising from changes in, and volatility of, interest rates. Effectively, only $55 million of our variable long-term debt outstanding at June 30, 2012 is subject to changes in interest rates. Thus, a 10% change in the interest rate on the floating rate debt would not have a material impact on our annual earnings and cash flows.

Foreign Currency Risk

As a multinational company, we conduct business in numerous foreign countries. Our functional currency is the U.S. dollar. Certain of our subsidiaries have monetary assets and liabilities that are denominated in a currency other than our functional currency. Based on June 30, 2012 amounts, a decrease in the value of 10% in foreign currencies relative to the U.S. dollar would not have a material impact on our annual earnings and cash flows. We did not have any open derivative contracts relating to foreign currencies at June 30, 2012.

Market Risk

Our Notes are maintained at a fixed interest rate whose fair value will fluctuate based on changes in prevailing market interest rates and market perceptions of our credit risk. The fair value of our Notes, was approximately $466.4 million at June 30, 2012, compared to the carrying amount of $450.0 million. If prevailing market interest rates had been 10% lower at June 30, 2012, the change in fair value of our Notes, would have been immaterial.

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ITEM 4. CONTROLS AND PROCEDURES

(a) Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures as of the end of the period covered by this report. Based on that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures as of the end of the period covered by this report have been designed and are effective at the reasonable assurance level so that the information required to be disclosed by us in our periodic SEC filings is recorded, processed, summarized and reported within the time periods specified in the SEC's rules, regulations and forms and have been accumulated and communicated to our management, including executive and financial officers, as appropriate, to allow timely decisions regarding required disclosures. We believe that a controls system, no matter how well designed and operated, cannot provide absolute assurance that the objectives of the controls system are met, and no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within a company have been detected.

(b) Changes in Internal Control over Financial Reporting

No change in our internal control over financial reporting occurred during the most recent fiscal quarter covered by this report that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

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PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

We have certain actions, claims and other matters pending as set forth in Note 10 to Unaudited Condensed Consolidated Financial Statements included in Item 1 of Part I of this Quarterly Report, which is incorporated by reference in response to this item. As of June 30, 2012, we were also involved in a number of lawsuits which have arisen in the ordinary course of business and for which we do not expect the liability, if any, resulting from these lawsuits to have a material adverse effect on our current consolidated financial position, results of operations or cash flows. We cannot predict with certainty the outcome or effect of any of these matters described above or any such other proceeding or threatened litigation or legal proceedings. There can be no assurance that our beliefs or expectations as to the outcome or effect of any lawsuit or other matters will prove correct and the eventual outcome of these matters could materially differ from management's current estimates.

ITEM 1A. RISK FACTORS

For additional information about our risk factors, see Item 1A of our Annual Report on Form 10-K for the fiscal year ended September 30, 2011.

ITEM 6. EXHIBITS

(a) Exhibits

3.1	By-Laws of Atwood Oceanics, Inc., effective May 24, 2012 (Incorporated herein by reference to Exhibit 3.1 to our Form 8-K filed on May 30, 2012).
†10.1	Atwood Oceanics, Inc. Clarifying Amendment to Restricted Stock Award with Robert J. Saltiel dated April 20, 2012 (Incorporated herein by reference to Exhibit 10.4 of our Quarterly Report on Form 10-Q for the quarter ended March 31, 2012).
†10.2	Atwood Oceanics, Inc. Clarifying Amendment to Restricted Stock Award with Mark Mey dated April 20, 2012 (Incorporated herein by reference to Exhibit 10.7 of our Quarterly Report on Form 10-Q for the quarter ended March 31, 2012).
†10.3	Form of Executive Change of Control Agreement (Incorporated herein by reference to Exhibit 10.1 to our Form 8-K filed on May 30, 2012).
†10.4	First Amendment, dated as of May 24, 2012, to the Atwood Oceanics, Inc. Salary Continuation Plan (formerly known as the Restated Executive Life Insurance Plan) (Incorporated herein by reference to Exhibit 10.2 to our Form 8-K filed on May 30, 2012).
†10.5	Form of Salary Continuation Agreement (Incorporated herein by reference to Exhibit 10.3 to our Form 8-K filed on May 30, 2012).
*31.1	Certification of Chief Executive Officer.
*31.2	Certification of Chief Financial Officer.
**32.1	Certificate of Chief Executive Officer pursuant to Section 906 of Sarbanes – Oxley Act of 2002.
**32.2	Certificate of Chief Financial Officer pursuant to Section 906 of Sarbanes – Oxley Act of 2002.

**101	Interactive data files.
*	Filed herewith
**	Furnished herewith
†	Management contract or compensatory plan or arrangement

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SIGNATURES

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

	ATWOOD OCEANICS, INC. (Registrant)
Date: August 3, 2012	/S/ MARK L. MEY Mark L. Mey Senior Vice President and Chief Financial Officer

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