

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2010 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2010 or fiscal plan year beginning <u>04/01/2010</u> and ending <u>03/31/2011</u>	
A This return/report is for:	☐ a multiemployer plan; ☐ a multiple-employer plan; or ☒ a single-employer plan; ☐ a DFE (specify) ____
B This return/report is:	☐ the first return/report; ☐ the final return/report; ☐ an amended return/report; ☐ a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information				
1a Name of plan <u>ROCKY BRANDS, INC. RETIREMENT PLAN</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>001</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>07/01/1976</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>001</u>	1c Effective date of plan <u>07/01/1976</u>	
1b Three-digit plan number (PN) ▶	<u>001</u>				
1c Effective date of plan <u>07/01/1976</u>					
2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.) <u>ROCKY BRANDS, INC.</u> <u>39 EAST CANAL STREET</u> <u>NELSONVILLE, OH 45764</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>31-1364046</u></td> </tr> <tr> <td>2c Sponsor's telephone number <u>740-753-1953</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>316210</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>31-1364046</u>	2c Sponsor's telephone number <u>740-753-1953</u>	2d Business code (see instructions) <u>316210</u>	
2b Employer Identification Number (EIN) <u>31-1364046</u>					
2c Sponsor's telephone number <u>740-753-1953</u>					
2d Business code (see instructions) <u>316210</u>					

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	01/16/2012	JAMES SIGAFOOSE
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	01/16/2012	JAMES SIGAFOOSE
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Form 5500 (2010)
v.092307.1

3a Plan administrator's name and address (if same as plan sponsor, enter "Same") ROCKY BRANDS, INC. 39 EAST CANAL STREET NELSONVILLE, OH 45764	3b Administrator's EIN 31-1364046 3c Administrator's telephone number 740-753-1953
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4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
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5 Total number of participants at the beginning of the plan year	5	621
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6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		
a Active participants.....	6a	500
b Retired or separated participants receiving benefits.....	6b	83
c Other retired or separated participants entitled to future benefits.....	6c	141
d Subtotal. Add lines 6a , 6b , and 6c	6d	724
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	0
f Total. Add lines 6d and 6e	6f	724
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	11

7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	
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8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
 1A 1G

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
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10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- (1) ☒ **R** (Retirement Plan Information)
 (2) ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
 (3) ☒ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

- (1) ☒ **H** (Financial Information)
 (2) ☐ **I** (Financial Information – Small Plan)
 (3) ☐ **A** (Insurance Information)
 (4) ☒ **C** (Service Provider Information)
 (5) ☐ **D** (DFE/Participating Plan Information)
 (6) ☐ **G** (Financial Transaction Schedules)

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2010 This Form is Open to Public Inspection
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For calendar plan year 2010 or fiscal plan year beginning 04/01/2010 and ending 03/31/2011

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan <u>ROCKY BRANDS, INC. RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>ROCKY BRANDS, INC.</u>	D Employer Identification Number (EIN) <u>31-1364046</u>
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I	Basic Information
1	Enter the valuation date: Month <u>04</u> Day <u>01</u> Year <u>2010</u>
2	Assets:
a	Market value 2a <u>7567883</u>
b	Actuarial value 2b <u>7549406</u>
3	Funding target/participant count breakdown
	(1) Number of participants (2) Funding Target
a	For retired participants and beneficiaries receiving payment 3a <u>75</u> <u>4130055</u>
b	For terminated vested participants 3b <u>118</u> <u>1556006</u>
c	For active participants:
(1)	Non-vested benefits 3c(1) <u>358500</u>
(2)	Vested benefits 3c(2) <u>3998097</u>
(3)	Total active 3c(3) <u>428</u> <u>4356597</u>
d	Total 3d <u>621</u> <u>10042658</u>
4	If the plan is at-risk, check the box and complete items (a) and (b) ☐
a	Funding target disregarding prescribed at-risk assumptions 4a
b	Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor 4b
5	Effective interest rate 5 <u>6.64</u> %
6	Target normal cost 6 <u>159634</u>

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE	<u>01/13/2012</u>
Signature of actuary	Date
<u>JEFFREY A. SCHAPPEL, EA</u>	<u>11-07786</u>
Type or print name of actuary	Most recent enrollment number
<u>CBIZ BENEFITS & INSURANCE SERVICES,</u>	<u>216-447-9000</u>
Firm name	Telephone number (including area code)
<u>6050 OAK TREE BLVD, SUITE 500</u> <u>CLEVELAND, OH 44131</u>	
Address of the firm	

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2010
v.092308.1

Part II	Beginning of year carryover and prefunding balances	(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (Item 13 from prior year)	125206	0
8	Portion used to offset prior year's funding requirement (Item 35 from prior year)	125206	0
9	Amount remaining (Item 7 minus item 8).....	0	0
10	Interest on item 9 using prior year's actual return of <u>30.83</u> %		
11	Prior year's excess contributions to be added to prefunding balance:		
a	Excess contributions (Item 38 from prior year)		72
b	Interest on (a) using prior year's effective rate of <u>6.66</u> %		5
c	Total available at beginning of current plan year to add to prefunding balance		77
d	Portion of (c) to be added to prefunding balance.....		0
12	Reduction in balances due to elections or deemed elections.....	0	0
13	Balance at beginning of current year (item 9 + item 10 + item 11d – item 12).....	0	0

Part III	Funding percentages		
14	Funding target attainment percentage.....	14	75.17 %
15	Adjusted funding target attainment percentage.....	15	75.17 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement.....	16	67.02 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.....	17	%

Part IV	Contributions and liquidity shortfalls		
18	Contributions made to the plan for the plan year by employer(s) and employees:		
	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
	10/15/2010	131498	0
	11/16/2010	131498	0
	01/14/2011	131498	0
	04/14/2011	131498	0
	12/12/2011	4744942	0
	Totals ▶	18(b)	5270934
		18(c)	0

19	Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:		
a	Contributions allocated toward unpaid minimum required contribution from prior years.....	19a	0
b	Contributions made to avoid restrictions adjusted to valuation date	19b	0
c	Contributions allocated toward minimum required contribution for current year adjusted to valuation date.....	19c	4753443
20	Quarterly contributions and liquidity shortfalls:		
a	Did the plan have a "funding shortfall" for the prior year?	☒ Yes ☐ No	
b	If 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	☒ Yes ☐ No	
c	If 20a is "Yes," see instructions and complete the following table as applicable:		

Liquidity shortfall as of end of Quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

Part V Assumptions used to determine funding target and target normal cost

21 Discount rate:				
a Segment rates:	1st segment: 4.71 %	2nd segment: 6.67 %	3rd segment: 6.77 %	☐ N/A, full yield curve used
b Applicable month (enter code)				21b 4
22 Weighted average retirement age				22 65
23 Mortality table(s) (see instructions) ☒ Prescribed - combined ☐ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes ☒ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes ☒ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.....	☒ Yes ☐ No
27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment.....	27

Part VII Reconciliation of unpaid minimum required contributions for prior years

28 Unpaid minimum required contribution for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a).....	29	0
30 Remaining amount of unpaid minimum required contributions (item 28 minus item 29)	30	0

Part VIII Minimum required contribution for current year

31 Target normal cost, adjusted, if applicable (see instructions).....	31	159634
32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	2091546	424795
b Waiver amortization installment	0	0
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33	
34 Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b – item 33).....	34	584429
	Carryover balance	Prefunding balance
35 Balances used to offset funding requirement	0	0
36 Additional cash requirement (item 34 minus item 35).....	36	584429
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c).....	37	4753443
38 Interest-adjusted excess contributions for current year (see instructions).....	38	4169014
39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37).....	39	0
40 Unpaid minimum required contribution for all years	40	0

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2010
		This Form is Open to Public Inspection.
For calendar plan year 2010 or fiscal plan year beginning 04/01/2010 and ending 03/31/2011		
A Name of plan ROCKY BRANDS, INC. RETIREMENT PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 ROCKY BRANDS, INC.	D Employer Identification Number (EIN) 31-1364046	

Part I	Service Provider Information (see instructions)
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You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☐ Yes ☒ No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation
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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

HUNTINGTON BANK

31-0966785

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
21	TRUSTEE	88310	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

CBIZ, BENEFITS AND INSURANCE

31-1124734

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
11	ACTUARY	18519	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III **Termination Information on Accountants and Enrolled Actuaries (see instructions)**
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN;
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN;
c Position:	
d Address:	e Telephone:

Explanation:

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2010 This Form is Open to Public Inspection
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For calendar plan year 2010 or fiscal plan year beginning 04/01/2010 and ending 03/31/2011		
A Name of plan ROCKY BRANDS, INC. RETIREMENT PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 ROCKY BRANDS, INC.	D Employer Identification Number (EIN) 31-1364046	

Part I Asset and Liability Statement			
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	452196	4876440
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)	18596	17735
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	209966	941665
(2) U.S. Government securities.....	1c(2)	1460829	1203784
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	403443	414305
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)	4362244	5123065
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts.....	1c(9)		
(10) Value of interest in pooled separate accounts.....	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	680679	960348
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	7587953	13537342

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	7587953	13537342
---	-----------	---------	----------

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	5270934	
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		5270934
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	59	
(B) U.S. Government securities	2b(1)(B)	32881	
(C) Corporate debt instruments	2b(1)(C)	13625	
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		46565
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)	69734	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		69734
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	5475222	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	5496652	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		-21430

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other	2b(5)(B)	1133290	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B).....	2b(5)(C)		1133290
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		
c Other income.....	2c		544
d Total income. Add all income amounts in column (b) and enter total.....	2d		6499637

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	389002	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		389002
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)	19484	
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)	88310	
(4) Other	2i(4)	53452	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		161246
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		550248

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d.....	2k		5949389
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☒ Yes ☐ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: YANKOVICH ADELMAN JOHNSON STEVENSON

(2) EIN: 26-1347383

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

- 4** CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 4l.

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	
e Was this plan covered by a fidelity bond?.....	X		100000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.).....		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....			
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			

- 5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
If yes, enter the amount of any plan assets that reverted to the employer this year ☐ Yes ☒ No Amount:

- 5b** If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)

5b(2) EIN(s)	5b(3) PN(s)

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2010
		This Form is Open to Public Inspection.

For calendar plan year 2010 or fiscal plan year beginning 04/01/2010 and ending 03/31/2011

A Name of plan <u>ROCKY BRANDS, INC. RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>ROCKY BRANDS, INC.</u>	D Employer Identification Number (EIN) <u>31-1364046</u>

Part I	Distributions
---------------	----------------------

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	<u>1</u>	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): _____ Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	<u>3</u>	<u>0</u>

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)
----------------	--

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....	☐ Yes	☒ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year	<u>6a</u>		
b Enter the amount contributed by the employer to the plan for this plan year	<u>6b</u>		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	<u>6c</u>		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?.....	☐ Yes	☐ No	☒ N/A

Part III	Amendments
-----------------	-------------------

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box(es). If no, check the "No" box.....	☐ Increase	☐ Decrease	☐ Both	☒ No
--	-----------------------------------	-----------------------------------	-------------------------------	--

Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
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10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?.....	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month Day Year

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents)

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month Day Year

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents)

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month Day Year

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents)

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month Day Year

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents)

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month Day Year

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents)

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month Day Year

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents)

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	14a	
b The plan year immediately preceding the current plan year	14b	
c The second preceding plan year	14c	

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	16a	
b If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

- 19** If the total number of participants is 1,000 or more, complete items (a) through (c)

- a** Enter the percentage of plan assets held as:

Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

- b** Provide the average duration of the combined investment-grade and high-yield debt:

☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

- c** What duration measure was used to calculate item 19(b)?

☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

ROCKY BRANDS, INC. RETIREMENT PLAN

**FINANCIAL STATEMENTS
AND
SUPPLEMENTAL INFORMATION**

March 31, 2011 and 2010

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YANKOVICH ADELMAN
JOHNSON STEVENSON
Certified Public Accountants + Business Partners

To the Plan Administrator of
Rocky Brands, Inc. Retirement Plan
Nelsonville, Ohio

Independent Auditors' Report

We were engaged to audit the accompanying statements of net assets available for benefits of Rocky Brands, Inc. (the "Company") Retirement Plan (the "Plan") as of March 31, 2011 and 2010 and the related statements of changes in net assets available for benefits for the years then ended and the supplemental schedules of assets (held at end of year) and transactions or series of transactions in excess of 5% of the current value of Plan assets. These financial statements and supplemental schedules are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the investment information summarized in the notes to the financial statements, which was certified by the Trust Division of the Huntington National Bank, the trustee of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedules. We have been informed by the Plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained certification from the trustee as of and for the years ended March 31, 2011 and 2010, that the information provided to the Plan administrator by the trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedules taken as a whole. The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America, and in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Columbus, Ohio
January 13, 2012

Yankovich Adelman Johnson Stevenson, LLC

ROCKY BRANDS, INC. RETIREMENT PLAN

Statements of Net Assets Available for Benefits

March 31, 2011 and 2010

	2011	2010
Assets		
Investments at fair value:		
Money market funds	\$ 941,665	\$ 209,966
Common stocks	6,083,413	5,042,923
Corporate bonds	414,305	403,443
U.S. government bonds	1,203,784	1,460,829
Total investments	<u>8,643,167</u>	<u>7,117,161</u>
Receivables:		
Employer contribution	4,876,440	452,196
Accrued interest and dividends	17,735	18,596
Total assets	<u>13,537,342</u>	<u>7,587,953</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u><u>\$ 13,537,342</u></u>	<u><u>\$ 7,587,953</u></u>

The accompanying notes are an integral part of the financial statements.

ROCKY BRANDS, INC. RETIREMENT PLAN

Statements of Changes in Net Assets Available for Benefits

For the years ended March 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Additions to Net Assets Attributed to:		
Investment income		
Interest and dividend income	\$ 116,299	\$ 94,150
Net appreciation in fair value of investments	1,112,404	1,717,891
Employer contributions	5,270,934	452,196
Total additions	<u>6,499,637</u>	<u>2,264,237</u>
Deductions from Net Assets Attributed to:		
Benefit payments	389,002	385,518
Plan expenses	161,246	138,939
Total deductions	<u>550,248</u>	<u>524,457</u>
 Net increase	 5,949,389	 1,739,780
Net Assets Available for Benefits:		
Beginning of Year	<u>7,587,953</u>	<u>5,848,173</u>
 End of Year	 <u>\$ 13,537,342</u>	 <u>\$ 7,587,953</u>

The accompanying notes are an integral part of the financial statements.

ROCKY BRANDS, INC. RETIREMENT PLAN

Notes to Financial Statements

March 31, 2011 and 2010

Plan Description

The following brief description of the Rocky Brands, Inc. (the "Company") Retirement Plan (the "Plan") is provided for general information purposes only. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan is a defined benefit, non-contributory pension plan and trust subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). Effective April 1, 2009, the Plan was amended to comply with various regulatory and legal requirements. See appropriate Plan documents for details on the amendments. Additionally, the name of the Plan was changed from the Rocky Brands, Inc. Retirement Plan for Non-Union Employees to the Rocky Brands, Inc. Retirement Plan. Effective June 1, 2011, the Plan was amended to allow any participant who has attained normal retirement date but has not separated from employment to elect to commence distribution of his or her vested accrued benefit.

Effective September 1, 2011, the Plan was terminated by the Company. See the Plan Termination and Subsequent Events footnote for additional information.

Pension Benefits

The Plan covers all non-union employees who have attained the age of twenty-one (21) and have completed one year of credited service. Participants are fully vested after five (5) years of credited service. Benefits are payable at normal retirement age (age 65 with three (3) years of credited service), early retirement age (age 57 with five (5) years of credited service) or upon disability.

The contributions of Rocky Brands, Inc. based on actuarial determination, are made in amounts sufficient to fund the Plan's current service costs on a current basis, and to fund the unfunded liability for past service over a 20-year period.

Calculations of the present value of vested benefits under the Plan, and of the actuarially determined prior service costs, are made annually by independent actuaries. Significant assumptions underlying the actuarial computations include: Assumed rate of return on investments; assumed retirement at age 65; and assumed employee rates of termination from the Actuary's Pension Handbook.

The Company's funding policy is to make annual contributions to the Plan in amounts that are estimated to remain a constant \$7.50 each year for U.S. Territorial employees, and that are estimated to remain a constant percentage of employee's compensation each year for Non-U.S. Territorial employees, such that all employee benefits will be fully provided for by the time they retire.

The benefits of non-US territorial employees were frozen on December 31, 2005.

Notes to Financial Statements

March 31, 2011 and 2010

Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements are prepared on the accrual basis of accounting.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and changes therein and the actuarial present value of accumulated plan benefits at the date of the financial statements. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Fair Value footnote for discussion of fair value measurements.

Net appreciation in Fair Value of investments is reflected in the Statements of Changes in Net Assets Available for Benefits and includes realized gains and losses on investments bought and sold and the change in appreciation from one period to the next. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

.

Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefits (see Plan Benefits) are those estimated future periodic payments, including lump-sum distributions that are attributable under the Plan's provisions to services rendered by the employees to the valuation date. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries (b) beneficiaries of employees who have died and (c) present employee or their beneficiaries. Benefits for retired or terminated employees or their beneficiaries are based on employees' years of service. The accumulated plan benefits for active employees are based on their average compensation during the three years ending on the date as of which the benefit information is presented (the valuation date). Benefits payable under all circumstances – retirement, death, disability and termination of employment are included, to the extent they are deemed attributable to employee service rendered at the valuation date.

ROCKY BRANDS, INC. RETIREMENT PLAN

Notes to Financial Statements

March 31, 2011 and 2010

Summary of Significant Accounting Policies (continued)

The actuarial present value of accumulated plan benefits is determined by an independent actuary from CBIZ Benefits and Insurance Services, Inc. The present value that results is from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts of interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment. The significant actuarial assumptions used in the valuations of March 31, 2011 and 2010 were (a) life expectancy of participants (2011 and 2010 Combined Mortality for Healthy Lives Disability), (b) retirement age assumptions (the assumed average retirement age was 65) and (c) investment return 13.1% and 30.8%, respectively

Payment of Benefits

Benefit payments to participants are recorded upon distribution.

Administrative Expenses

Trustee fees incurred by the Plan are recorded as incurred.

Plan Benefits

The actuarial present value of accumulated plan benefits is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits earned by the participants to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment.

The actuarial present value of accumulated plan benefits as of the end of each plan year is as follows:

	<u>2011</u>	<u>2010</u>
Vested Benefits:		
Participants currently receiving payments	\$ 4,454,927	\$ 4,130,055
Other participants	5,152,875	5,554,103
Total vested benefits	9,607,802	9,684,158
Non-vested benefits	1,399,438	358,500
Total accumulated plan benefits	<u>\$ 11,007,240</u>	<u>\$ 10,042,658</u>

ROCKY BRANDS, INC. RETIREMENT PLAN

Notes to Financial Statements

March 31, 2011 and 2010

Plan Benefits (continued)

The changes in actuarial present value of accumulated plan benefits for each plan year are as follows:

	<u>2011</u>	<u>2010</u>
Present value at the beginning of the year	\$ 10,042,658	\$ 9,284,178
Increase (decrease) attributable to:		
Change in assumption(s)	569,419	331,167
Benefits accumulated	186,382	209,161
Decrease in discount period	597,783	603,670
Benefits paid	<u>(389,002)</u>	<u>(385,518)</u>
Total present value	<u>\$ 11,007,240</u>	<u>\$ 10,042,658</u>

Significant assumptions underlying the actuarial computations are as follows:

Actuarial cost method	Entry age normal
Assumed rate of return on investments	13.1%
Mortality	2011 Combined Mortality for Healthy Lives Table
Retirement	Normal retirement age under the Plan

During 2011, the actuary changed the Mortality table to the 2011 Combined Healthy Lives Mortality Table and assumed rate of return from 30.8% to 13.1%

Funding Policy

The Company's funding policy is to fully fund the plan for all accrued benefits. The Company did not make a contribution in the year ended March 31, 2010. The Company made \$846,690 in contributions to the Plan during 2011. The Plan has recorded a contribution receivable of \$4,876,440 to fund the accrued benefit payments due to the termination of the plan. An additional \$30,693 of accrued benefits was earned by participants between April 1, 2011 and August 31, 2011 and contributed by the Company. The Company made the contribution to the Plan as of December 31, 2011.

Notes to Financial Statements

March 31, 2011 and 2010

Fair Value Measurements

ASC 820 establishes a framework for measuring Fair Value which provides the Fair Value hierarchy that prioritizes the inputs to valuation techniques used to measure Fair Value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under ASC are described below:

- | | |
|---------|---|
| Level 1 | Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access. |
| Level 2 | <p>Inputs to the valuation methodology include:</p> <ul style="list-style-type: none">• Quoted prices for similar assets or liabilities in active markets;• Quoted prices for identical or similar assets or liabilities in inactive markets;• Inputs other than quoted prices that are observable for the asset or liability;• Inputs that are derived principally from or corroborated by observable market data by correlation or other means. <p>If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.</p> |
| Level 3 | Inputs to the valuation methodology are unobservable and significant to the fair value measurement. |

The asset's or liability's Fair Value measurement level within the Fair Value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques should maximize the use of observable inputs and minimize the use of unobservable inputs.

ROCKY BRANDS, INC. RETIREMENT PLAN

Notes to Financial Statements

March 31, 2011 and 2010

Fair Value Measurements (continued)

Following is a description of the valuation methodologies used for assets measured at Fair Value. There have been no changes in the methodologies used at March 31, 2010.

Money market and equities: Valued at the quoted stock price per share held by the Plan at year-end.

U.S Government Obligations: Valued at the closing price reported on the active market on which the individual security is traded.

Corporate Bond Obligations: Valued at the closing price reported on the active market on which the individual security is traded.

The methods described above may produce a Fair Value calculation that may not be indicative of net realizable value or reflective of future Fair Values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the Fair Value of certain financial instruments could result in a different Fair Value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets as Fair Value at March 31, 2011:

	Level 1	Level 2	Level 3	Total
Equities	\$ 6,083,413	\$ -	\$ -	\$ 6,083,413
Corporate Bond	414,305	-	-	414,305
US Gov't Bond	1,203,784	-	-	1,203,784
Money Market	941,665	-	-	941,665
Total Investments	<u>\$ 8,643,167</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,643,167</u>
Interest and Dividends	<u>\$ 116,299</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 116,299</u>

ROCKY BRANDS, INC. RETIREMENT PLAN

Notes to Financial Statements

March 31, 2011 and 2010

Fair Value Measurements (continued)

The following table sets forth by level, within the fair value hierarchy, the Plan's assets as Fair Value at March 31, 2010:

	Level 1	Level 2	Level 3	Total
Equities	\$ 5,042,923	\$ -	\$ -	\$ 5,042,923
Corporate Bond	403,443	-	-	403,443
US Gov't Bond	1,460,829	-	-	1,460,829
Money Market	209,966	-	-	209,966
Total Investments	<u>\$ 7,117,161</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,117,161</u>
Interest and Dividends	<u>\$ 94,150</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 94,150</u>

Investments

The Plan's investments are held by a Trustee. The following information included in the accompanying financial statements and supplemental schedule was obtained from data that has been prepared and certified to as complete and accurate by the Trustee. During 2011 and 2010, the Plan's investments appreciated or depreciated in Fair Value as follows:

	Gains/Losses Net Appreciation (Depreciation) In Fair Value During Year	Fair Value at End of Year
Year ended March 31, 2011		
Corporate bonds	\$ 4,460	\$ 414,305
U.S government bonds	7,892	1,203,784
Common stocks	1,100,052	6,083,413
Money market funds	-	941,665
Total	<u>\$ 1,112,404</u>	<u>\$ 8,643,167</u>
Year ended March 31, 2010		
Corporate bonds	\$ (208)	\$ 403,443
U.S government bonds	2,833	1,460,829
Common stocks	1,715,266	5,042,923
Money market funds	-	209,966
Total	<u>\$ 1,717,891</u>	<u>\$ 7,117,161</u>

ROCKY BRANDS, INC. RETIREMENT PLAN

Notes to Financial Statements

March 31, 2011 and 2010

Investments (continued)

Individual investments that represent 5% or more of the Plan's net assets are as follows:

		<u>2011</u>	<u>2010</u>
Money market funds	Huntington Money Market Fund II	\$ 941,665	\$ *
Common stocks	Rocky Brands, Inc	\$ 960,348	\$ 680,679

* These investments did not represent more than 5% or more of the Plan's net assets as of March 31, 2010.

Transactions with Related Parties and Parties-in-Interest

In March 2011, the Plan sold 8,500 shares of Company stock for proceeds of \$135,759 and a gain of \$54,699. The Plan held 62,850 and 71,350 shares of common stock issued by the Plan Sponsor as of March 31, 2011 and 2010, respectively. No additional shares were purchased during the years ending March 31, 2011 and 2010.

Plan Termination and Subsequent Events

The Company made a decision on July 15, 2011 to terminate the Plan effective September 1, 2011. All benefit accruals ceased effective August 31, 2011. Each participant's accrued benefit became fully vested and non-forfeitable as of September 1, 2011. Participants are able to request a direct lump sum payment or the Plan would purchase a non-transferable annuity contract. The Plan has recorded a receivable in the amount of \$4,876,440 for the benefits accrued through March 31, 2011. An additional \$30,693 of benefit was accrued from April 1, 2011 through August 31, 2011. As of December 31, 2011, the Plan's assets were fully liquidated and the Plan received the \$4,907,133 of contributions from the Company and paid out the accrued benefits to the participants. Additionally, as of January 6, 2012, the Plan has liquidated all investments. The Plan evaluated subsequent events through the date the financial statements were issued which was January 13, 2012.

Income Tax Status

The Internal Revenue Service has determined and informed the Company by a letter dated October 10, 2007, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). The Plan has been amended since receiving the determination letter. The Plan has also filed a request for determination letter to terminate the Plan. The Plan administrator believes that the Plan is being terminated in compliance with the applicable requirements of the IRC and a provision for income taxes is not necessary.

ROCKY BRANDS, INC. RETIREMENT PLAN

Notes to Financial Statements

March 31, 2011 and 2010

Risk and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the Statements of Net Assets Available for Benefits.

Plan contributions are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

SUPPLEMENTAL INFORMATION

ROCKY BRANDS, INC. RETIREMENT PLAN
EIN#31-1364046 PLAN: #002

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

March 31, 2011

(a)	Identity of Issue, Borrower, (b) Lessor or Similar Party	Description (c) Investment	(d) Cost	Current (e) Value
	Common Stocks:			
	AMB Property Corp	Common Stock	2,516	4,604
	AT&T	Common Stock	17,841	15,274
	Abbott Laboratories	Common Stock	16,709	17,413
	Acacia Research Corp	Common Stock	12,368	33,354
	Aecom Technology Corp	Common Stock	15,221	15,723
	Affiliated Managers Group	Common Stock	10,600	24,390
	Agilent Technologies Inc	Common Stock	26,324	32,689
	Air Prods & Chems Inc w/1RT/SH	Common Stock	24,415	35,982
	Allergan Inc w/1 RT/SH	Common Stock	22,802	22,584
	Alliance Data Systems Corp	Common Stock	9,136	19,497
	Alliant Techsystem Inc w/1 RT/SH	Common Stock	8,861	8,975
	Amazon.com Inc	Common Stock	17,758	41,790
	American Campus Communities	Common Stock	6,510	7,128
	American Electric Power	Common Stock	10,200	13,634
	American Express	Common Stock	42,272	49,765
	American Superconductor Corp	Common Stock	11,095	9,749
	American Water Works Co Inc	Common Stock	19,206	25,722
	Ameriprise Financial Inc.	Common Stock	8,039	7,940
	Amgen Inc	Common Stock	15,886	16,035
	Apache Corp	Common Stock	52,532	59,307
	Apple Inc	Common Stock	40,078	83,990
	Atheros Communications	Common Stock	1,574	2,322
	Avalonbay Communities Inc	Common Stock	6,394	14,650
	Bank of America Corp	Common Stock	24,338	26,647
	Bank of the Ozark	Common Stock	1,377	1,705
	Bed Bath & Beyond Inc	Common Stock	20,205	29,010
	Big Lots Inc.	Common Stock	17,857	25,754
	Blackboard Inc	Common Stock	2,417	2,464
	Blackstone Group LP	Common Stock	18,883	32,345
	Boeing Co	Common Stock	8,318	10,350
	Boston Properties Inc w/1 RT P/S	Common Stock	4,300	8,821
	Bristol-Myers Squibb Co	Common Stock	16,412	16,202
	Broadcom Corp CL A	Common Stock	20,041	36,466
	Brocade Communications Sys	Common Stock	23,506	25,984
	CVS Caremark Corp	Common Stock	14,444	15,547
	California Pizza Kitchen Inc	Common Stock	2,076	2,313

ROCKY BRANDS, INC. RETIREMENT PLAN
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Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

March 31, 2011

(a)	Identity of Issue, Borrower, (b) Lessor or Similar Party	Description (c) Investment	(d) Cost	Current (e) Value
	Carnival Corp	Common Stock	25,702	29,959
	Caterpillar Inc	Common Stock	31,129	53,448
	Chico's Fas Inc	Common Stock	12,418	12,671
	Cinemark Holdings Inc	Common Stock	2,756	3,096
	Citigroup Inc	Common Stock	24,089	22,250
	Cobiz Financial Inc	Common Stock	3,847	4,476
	Coca Cola Co	Common Stock	35,281	40,600
	Cognizant Tech Solutions Crp	Common Stock	25,080	40,537
	Compass Minerals Intl	Common Stock	18,704	26,750
	Conocophillips	Common Stock	68,724	83,054
	Crocs Inc	Common Stock	2,309	3,390
	Cypress Semiconductor Corp	Common Stock	3,405	4,690
	DST Systems Inc Del W/1 Right	Common Stock	21,208	26,991
	Dawson Geophysical Co	Common Stock	8,456	9,259
	Deere & Co w/1 RT/SH	Common Stock	29,551	45,926
	Diamond Foods Inc	Common Stock	4,221	7,142
	Digitalglobe Inc	Common Stock	6,133	5,522
	Walt Disney Co	Common Stock	10,707	12,668
	Discover Financial Svs	Common Stock	24,527	35,963
	Directv Class A	Common Stock	7,260	7,582
	Donnelley (R.R.) & Sons Co	Common Stock	20,808	19,885
	Entertainment Properties TR	Common Stock	19,736	25,611
	Equifax Inc	Common Stock	20,391	25,758
	Eresearch Technologu Inc	Common Stock	5,509	4,753
	Exxon Mobil Corp	Common Stock	27,875	32,811
	FMC Corp	Common Stock	16,116	24,715
	FNB Corp	Common Stock	2,218	3,299
	Fedex Corp	Common Stock	21,820	23,294
	Ferro Corp	Common Stock	2,341	3,799
	Fifth Third Bancorp	Common Stock	37,981	41,280
	Fifth Street Finance Corp	Common Stock	1,089	1,175
	Finisar Corporation	Common Stock	5,260	12,177
	First Cash Financial Service	Common Stock	7,405	11,348
	Ford Motor Co	Common Stock	24,214	44,969
	Forest Oil Corp	Common Stock	23,349	28,335
	Freeport-McMoran C & G w/1 RT/SH	Common Stock	12,443	22,776
	Gannett Inc	Common Stock	20,630	21,139

ROCKY BRANDS, INC. RETIREMENT PLAN
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Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

March 31, 2011

(a)	Identity of Issue, Borrower, (b) Lessor or Similar Party	Description (c) Investment	(d) Cost	Current (e) Value
	Gardner Denver Inc	Common Stock	13,581	22,707
	General Dynamics Corp	Common Stock	19,497	20,442
	General Electric Co	Common Stock	23,197	29,393
	Georesources Inc	Common Stock	2,889	3,502
	Geoeye Inc	Common Stock	2,587	2,495
	Filead Scientces Inc w/1 RT/SH	Common Stock	7,693	7,730
	Goldman Sachs Group Inc	Common Stock	36,803	42,822
	Google Inc - CL A	Common Stock	35,658	38,726
	Guess Inc	Common Stock	16,076	17,550
	Hain Celestial Group Inc	Common Stock	4,572	5,714
	Halliburton Co	Common Stock	8,606	9,519
	Hanesbrands Inc	Common Stock	14,957	15,981
	Hang Lung Properties LTD	Common Stock	7,842	9,237
	Heartland Payment Systems Inc	Common Stock	3,495	3,786
	Hercules Technology Growth	Common Stock	4,087	4,488
	Hersha Hospitality Trust	Common Stock	18,971	19,644
	Hershey Co w/1 RT/SH	Common Stock	4,409	4,402
	Hess Corp	Common Stock	19,613	28,716
	Hewlett Packard Co	Common Stock	14,497	14,340
	Home Depot Inc	Common Stock	23,452	33,206
	Hornbeck Offshore Services	Common Stock	5,624	6,263
	Hughes Communications Inc	Common Stock	1,476	4,774
	Humana Inc	Common Stock	9,032	9,931
	Hunt Jb Trans Svcs	Common Stock	12,117	21,938
	Illinois Tool Works	Common Stock	18,372	18,372
	Illumina Inc	Common Stock	14,133	21,091
	Imax Corp F	Common Stock	3,224	3,262
	Impax Laboratories Inc	Common Stock	6,605	7,686
	Ingram Micro Inc CL A COM	Common Stock	20,952	26,750
	Interap Network Services	Common Stock	6,408	6,097
	IBM Corp	Common Stock	10,855	16,796
	Internet Cap	Common Stock	6,779	11,616
	Itron Inc Com	Common Stock	25,997	26,075
	JDS Uniphase Corp	Common Stock	13,669	11,629
	JP Morgan Chase & Co	Common Stock	33,413	38,816
	Johnson & Johnson	Common Stock	28,643	27,848
	Juniper Networks Inc	Common Stock	16,816	21,713

ROCKY BRANDS, INC. RETIREMENT PLAN
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Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

March 31, 2011

(a)	Identity of Issue, Borrower, (b) Lessor or Similar Party	Description (c) Investment	(d) Cost	Current (e) Value
	Keycorp New W/1 RT/SH	Common Stock	14,366	15,735
	Kforce Inc	Common Stock	9,050	12,627
	Kohls Corp	Common Stock	19,613	19,943
	Komatsu Ltd	Common Stock	12,560	19,224
	Kraft Foods Inc	Common Stock	8,814	9,439
	Las Vegas Sands Corp	Common Stock	19,352	38,167
	Estee Lauder Co Inc	Common Stock	11,303	31,221
	Lincoln National Corp	Common Stock	14,324	16,672
	Logmein Inc	Common Stock	6,207	6,619
	Memc Electr Matls Inc Com	Common Stock	27,912	25,389
	Mastec Inc	Common Stock	934	1,602
	Mastercard Inc CL A	Common Stock	25,543	30,458
	McDonalds Corp	Common Stock	18,640	25,490
	Mediamind Technologies Inc	Common Stock	719	911
	Medley Capital Corp	Common Stock	5,026	5,140
	Merck & Co Inc	Common Stock	23,116	23,371
	Metlife Inc	Common Stock	22,395	24,825
	Microsoft Corp	Common Stock	13,020	15,234
	Micron Technology	Common Stock	17,137	23,743
	Middleby Corp	Common Stock	3,716	6,425
	Mips Technology Inc	Common Stock	6,917	5,025
	Monro Muffler Brake Inc	Common Stock	3,061	3,001
	Monsanto Co	Common Stock	23,536	26,086
	National Oilwell Varco Inc	Common Stock	23,009	31,391
	Natural Gas Services Group	Common Stock	4,536	3,481
	Natus Medical Inc	Common Stock	2,931	3,142
	Netapp Inc	Common Stock	18,863	27,059
	Northern Oil & Gas Inc	Common Stock	6,651	6,435
	Northrop Grumman Corp w/1 RT/SH	Common Stock	6,857	6,208
	OSI Systems Inc	Common Stock	5,449	7,243
	Occidental Petroleum Corp	Common Stock	29,170	38,452
	Old Dominion Freight Line	Common Stock	5,956	6,878
	Oracle Corporation Formerly Oracle Sys Corp	Common Stock	52,539	62,418
	Optiosepress	Common Stock	3,437	3,892
	PG & E Corp	Common Stock	12,830	13,563
	PNC Financial Services	Common Stock	19,988	30,865
	Par Pharmaceutical Cos Inc	Common Stock	6,180	6,185

ROCKY BRANDS, INC. RETIREMENT PLAN
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Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

March 31, 2011

(a)	Identity of Issue, Borrower, (b) Lessor or Similar Party	Description (c) Investment	(d) Cost	Current (e) Value
	Peabody Energy Corp W/1 RT/SH	Common Stock	20,591	32,886
	Pepsico Inc	Common Stock	12,210	16,360
	Petrohawk Energy Corp	Common Stock	20,929	27,338
	Pfizer Inc	Common Stock	47,815	55,487
	Pinnacle Financial Partners	Common Stock	4,495	5,806
	Plains Exploration & Product	Common Stock	25,543	26,738
	Polaris Ind Inc w/1 RT/SH	Common Stock	3,787	4,612
	Priceline.com Inc	Common Stock	8,211	47,605
	Prudential Financial Inc	Common Stock	20,063	30,790
	Qualcomm Inc w 1 RT P/S EXP 9/25/15	Common Stock	36,844	43,480
	Regal Entertainment Group - A	Common Stock	9,352	9,086
	Reliance Steel & Alum	Common Stock	18,831	26,521
	Research in Motion	Common Stock	9,421	8,877
	Reynolds American Inc	Common Stock	12,943	14,105
	Riverbed Technology Inc	Common Stock	15,207	20,595
	Rockwell Automation, Inc	Common Stock	7,526	7,761
*	Rocky Brands Inc Common Stock	Common Stock	380,064	960,348
	SBA Communications Corp W/1 RT/SH	Common Stock	19,079	24,760
	St Jude Medical Inc	Common Stock	4,387	4,408
	Salesforce.com Inc	Common Stock	19,760	19,369
	Sandisk Corp	Common Stock	19,377	19,035
	Sandridge Energy	Common Stock	11,380	27,136
	Henry Schein Inc	Common Stock	7,571	9,613
	Schlumberger LTD	Common Stock	14,541	21,170
	Sempra Energy	Common Stock	13,368	14,445
	Simon Property Group Inc	Common Stock	10,118	10,073
	Sonoco Products	Common Stock	3,463	5,253
	Southern Copper Corp	Common Stock	4,499	7,007
	Starbucks Corp	Common Stock	20,970	40,386
	Starwood Hotels & Resorts	Common Stock	13,897	14,879
	Stillwater Mining Company	Common Stock	8,005	8,828
	Stryker Corp	Common Stock	15,297	14,410
	Sucessfactors Inc	Common Stock	979	2,345
	Summit Hotel Properties Inc	Common Stock	228	229
	Suntrust Banks Inc	Common Stock	21,033	24,456
	TJX Companies Inc	Common Stock	9,699	16,560
	Targacept Inc	Common Stock	2,235	2,872

ROCKY BRANDS, INC. RETIREMENT PLAN
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Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

March 31, 2011

(a)	Identity of Issue, Borrower, (b) Lessor or Similar Party	Description (c) Investment	(d) Cost	Current (e) Value
	Target Corp	Common Stock	18,841	20,604
	Teleflex Inc W/1 RT/SH	Common Stock	24,190	25,453
	Thermo Fisher Scientific Inc	Common Stock	49,388	61,494
	Tidewater Inc	Common Stock	17,414	18,613
	Time Warner Inc	Common Stock	30	36
	Time Warner Cable Inc New	Common Stock	7,954	7,990
	Tower Bancorp Inc	Common Stock	4,353	3,878
	U S Bancorp	Common Stock	16,177	19,955
	Union Pacific Corp	Common Stock	15,262	24,288
	United National Foods Inc	Common Stock	6,945	13,715
	United States Steel Corp	Common Stock	7,492	10,734
	United Technologies Corp	Common Stock	20,354	23,871
	UnitedHealth Group Inc	Common Stock	12,689	19,978
	Universal Health Services CL B	Common Stock	4,387	9,635
	Verizon Communications	Common Stock	13,631	16,302
	Verint Systems Inc	Common Stock	4,709	8,100
	Visa Inc Class A Shares	Common Stock	26,129	27,828
	Wal-Mart Stores Inc	Common Stock	25,888	25,244
	Waste Connections Inc	Common Stock	5,957	7,831
	Waste Management Inc	Common Stock	6,351	8,364
	Watson Phartmaceuticals Inc	Common Stock	27,675	29,909
	Wells Fargo & Co	Common Stock	59,219	75,184
	WestAmerica Bancorporation	Common Stock	5,631	5,497
	Whole Foods Market Inc	Common Stock	15,342	43,296
	XILINX	Common Stock	16,690	27,552
	Zions Bancorp	Common Stock	21,617	22,945
	Bunge Limited	Common Stock	17,816	26,328
	Willis Group Holdings PLC	Common Stock	16,883	26,113
	Syneron Medical Ltd	Common Stock	4,966	6,103
	Core Laboratories N.V.	Common Stock	17,626	29,731
	America Movil SAB DE CV ADR Series L	Common Stock	12,243	13,014
	Arcelormittal NY Registered	Common Stock	10,029	10,194
	Arm Holdings PLC SPONS ADR	Common Stock	1,828	7,972
	Assa Ablouy AB UNSP ADR	Common Stock	14,329	14,918
	BASF SE - SPON ADR	Common Stock	7,044	7,374
	BG Group PLC - Spon ADR	Common Stock	12,186	17,528
	BNP Paribas	Common Stock	21,666	20,361

ROCKY BRANDS, INC. RETIREMENT PLAN
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Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

March 31, 2011

(a)	Identity of Issue, Borrower, (b) Lessor or Similar Party	Description (c) Investment	(d) Cost	Current (e) Value
	BHP Billiton LTD - Spon ADR Common Stock	Common Stock	10,168	20,710
	CNOOC LTD - ADR	Common Stock	10,346	17,966
	Canadian NATL Railway COM	Common Stock	13,286	18,818
	Canadian Natural Resources	Common Stock	6,916	11,023
	Canon Inc SP ADR	Common Stock	14,911	16,126
	China Merchants Unspn ADR	Common Stock	11,011	13,599
	Coca Cola Hellenic BTLNG ADR	Common Stock	9,134	6,534
	Credit Suisse Group Spon ADR	Common Stock	14,164	12,987
	Dassault Systems ADR	Common Stock	7,254	9,697
	Embraer SA	Common Stock	12,755	13,581
	Ericsson L M Tel Co - SP ADR	Common Stock	5,268	7,266
	Fanuc LTD Unsp ADR	Common Stock	7,537	14,536
	Flsmidth & Co A/S Unspn ADR	Common Stock	5,530	8,335
	Fresenius Medical Care AG	Common Stock	11,973	18,973
	Gazprom OAO SPON ADR	Common Stock	19,652	14,048
	HSBC HLDGS PLC SPONS ADR NEW	Common Stock	9,691	9,479
	Hennes & Mauritz AB - UNSP ADR	Common Stock	14,728	17,543
	Hong Kong Exchanges UNSPON ADR	Common Stock	5,802	12,102
	Ind & Comm BK of China Unspn ADR	Common Stock	12,436	14,983
	Itau Unibanco Holding SA ADR	Common Stock	8,829	12,193
	Kingfisher PLC - Spons ADR	Common Stock	11,613	15,474
	LVMH MOET Hennessy Lou - ADR	Common Stock	11,088	22,414
	Lululemon Athletica Inc	Common Stock	2,325	4,987
	Man Group PLC	Common Stock	7,146	7,663
	Mitsubishi UFJ FINL GRP ADR	Common Stock	14,482	11,307
	National Grid PCC -SP ADR	Common Stock	7,813	8,647
	Nestle SA Sponsored ADR Repstg Reg SH	Common Stock	37,326	44,429
	New Oriental Educatin SP ADR	Common Stock	8,712	11,308
	Nice Systems LTD	Common Stock	12,886	15,478
	Novartis AG ADR	Common Stock	16,840	18,153
	Novo Nordisk ADR	Common Stock	10,379	19,536
	Potosh Corp of Saskatchewan	Common Stock	25,219	36,419
	Publicis Groupe ADR	Common Stock	9,726	12,440
	Reckitt Benckiser Group ADR	Common Stock	17,604	19,144
	SXC Health Solutions Corp	Common Stock	10,841	16,659
	Sabmiller PLC	Common Stock	7,217	10,297
	SAP AG - Sponsored ADR	Common Stock	18,650	24,544

ROCKY BRANDS, INC. RETIREMENT PLAN
EIN#31-1364046 PLAN: #002

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

March 31, 2011

(a)	Identity of Issue, Borrower, (b) Lessor or Similar Party	Description (c) Investment	(d) Cost	Current (e) Value
	Siemens AG ADR	Common Stock	11,800	13,459
	Telefonica SA Spon ADR	Common Stock	17,393	17,326
	Tencent Holdings LTD UNS ADR	Common Stock	9,560	11,207
	Tesco PLC Sponsored ADR	Common Stock	20,290	18,670
	Teva Pharmaceutical - Sp ADR	Common Stock	23,057	23,680
	Toyota Mtr LTD Com 2 ADR	Common Stock	20,691	18,779
	Turkiye Garanti Bankasi ADR	Common Stock	12,093	12,605
	Vestas Wind Systems - Unsp ADR	Common Stock	17,084	9,444
	Vodafone Group PLC	Common Stock	13,885	14,059
	Volkswagen AG	Common Stock	6,488	9,725
	Walmart De Mexico - Spon ADR V	Common Stock	7,658	13,432
	Accenture PLC CL A	Common Stock	31,070	35,181
	Covidien PLC	Common Stock	11,289	14,803
	Fabrinet	Common Stock	3,202	2,238
	Ingersoll - Rand PLC	Common Stock	6,089	8,551
	Warner Chilcott PLC Class-A	Common Stock	26,032	25,446
	Weatherford Intl LTD	Common Stock	13,983	19,775
	Logitech International-Reg	Common Stock	16,313	13,054
	Tornier NV	Common Stock	1,177	1,184
	Total Common Stocks		4,384,515	6,083,413
	Cash Management Funds			
*	Huntington Money Market Fund II	Money Market	941,665	941,665
	U.S. Government Bonds			
	FFCB 1.75% 2/21/2013	Bond	200,144	203,120
	FHLB 1.9% 12/29/2015	Bond	176,243	171,684
	FHLB 3.125% 12/13/2013	Bond	205,596	209,146
	FHLB 1.75% 12/14/2012	Bond	99,563	101,634
	FHLB 2.75% 12/12/2014	Bond	248,008	258,230
	FHLB 2.875% 6/12/2015	Bond	252,038	259,970
	Total U.S Government Bonds		1,181,591	1,203,784
	Corporate Bonds			
	Morgan Stanley 4.75% 4/1/2014	Bond	102,750	104,202
	PNC Funding Corp 3.625% 2/8/2015	Bond	99,643	103,385
	Praxair Inc. 2.125% 6/14/2013	Bond	100,222	102,420

ROCKY BRANDS, INC. RETIREMENT PLAN
EIN#31-1364046 PLAN: #002

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

March 31, 2011

(a)	Identity of Issue, Borrower,	Description	(d) Cost	Current
	(b) Lessor or Similar Party	(c) Investment		(e) Value
	Sherwin-Williams Co 3.125% 12/15/2014	Bond	101,036	104,298
	Total Corporate Bonds Government Bonds		403,651	414,305
	Total Investments		6,911,421	8,643,167

*Denotes a party-in-interest investment

ROCKY BRANDS, INC. RETIREMENT PLAN
EIN#31-1364046 PLAN: #002

Schedule H, Line 4i
Transactions or Series of Transactions in Excess of 5% of the Current Value of Plan Assets

Year Ended March 31, 2011

(b) Description	Purchase (c) Price	Selling (d) Price	Cost of (g) Asset	Current Value of Asset on Transaction (h) Date	Net Gain (i) (Loss)
Category (iii) - A series of transactions in excess of 5% of plan assets					

Category (iii) - A single transactions in excess of 5% of plan assets

There were no category (i), (ii), (iii) or (iv) reportable transactions during the year ended March 31, 2011

*Denotes a party-in-interest investment.

**SCHEDULE SB
(Form 5500)**Department of the Treasury
Internal Revenue ServiceDepartment of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

**Single-Employer Defined Benefit Plan
Actuarial Information**

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

2010**This Form is Open to Public
Inspection**

For calendar plan year 2010 or fiscal plan year beginning 04/01/2010 and ending 03/31/2011

▶ **Round off amounts to nearest dollar.**▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

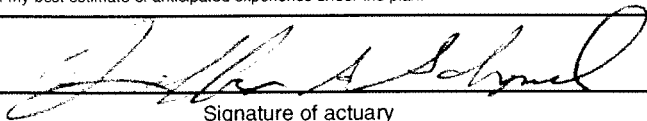
A Name of plan Rocky Brands, Inc. Retirement Plan	B Three-digit plan number (PN) ▶ 002
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF Rocky Brands, Inc.	D Employer Identification Number (EIN) 31-1364046
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I Basic Information

1 Enter the valuation date: Month <u>4</u> Day <u>1</u> Year <u>2010</u>		
2 Assets:		
a Market value.....	2a	7,567,883
b Actuarial value.....	2b	7,549,406
3 Funding target/participant count breakdown	(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment.....	3a 75	4,130,055
b For terminated vested participants.....	3b 118	1,556,006
c For active participants:		
(1) Non-vested benefits.....	3c(1)	358,500
(2) Vested benefits.....	3c(2)	3,998,097
(3) Total active.....	3c(3) 428	4,356,597
d Total.....	3d 621	10,042,658
4 If the plan is at-risk, check the box and complete items (a) and (b) ☐		
a Funding target disregarding prescribed at-risk assumptions.....	4a	
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor.....	4b	
5 Effective interest rate.....	5	6.64 %
6 Target normal cost.....	6	159,634

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

**SIGN
HERE**

Signature of actuary

Jeffrey A. Schapel, EA

Type or print name of actuary

CBIZ Benefits & Insurance Services,

6050 Oak Tree Blvd, Suite 500

Firm name

Cleveland

OH 44131

Address of the firm

12/31/2011

Date

11-07786

Most recent enrollment number

(216) 447-9000

Telephone number (including area code)

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2010
v.092308.1

**Schedule SB, Part V –
Summary of Plan Provisions**

- | | |
|-------------------------------------|---|
| 1. <u>Anniversary Date</u> | April 1. |
| 2. <u>Eligibility</u> | April 1 st nearest the attainment of age 21 and the completion of one year of service. |
| 3. <u>Normal Retirement Date</u> | First day of the month coinciding with or next following the employees' 65 th birthday and the completion of three years of credited service or age 57 with 35 years of service. |
| 4. <u>Normal Retirement Benefit</u> | <p>Monthly pension for life thereafter, equal to the greater of:</p> <p>(i) 1.5% of Average Monthly Compensation, times years of credited service, capped at 35 years.</p> <p>(ii) \$12.00 times years of credited service, capped at 35 years.</p> <p>Accrued Benefits frozen as of December 31, 2005, for Non U.S. Territorial Employees.</p> <p>U.S. Territorial Employees – a monthly pension for life thereafter, equal to \$7.50 times years of credited service, maximum 35 years.</p> |
| 5. <u>Early Retirement Date</u> | The first day of the month coinciding with or next following the participant's 55 th birthday and five years of service. |
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| 8. <u>Disability Benefit</u> | Accrued Benefit payable at Normal Retirement Date. |

**Schedule SB, Part V –
Summary of Plan Provisions**

9. Termination Benefit

Participant's vested accrued pension, payable at Normal Retirement Date, based on years of credited service from the table below:

<u>Years of Service</u>	<u>Vested Percentage</u>
Less than 5	0%
5 or more	100%

10. Death Benefit

Joint & 50% Survivor coverage is automatic for the spouse of any vested participant regardless of age. Benefit is payable (1) after the later of the participant's death, or (2) the date the participant would have reached the earliest permissible retirement age.

**Schedule SB, Part V –
Statement of Actuarial Assumptions/Methods**

Interest Rate	4.71% 1 st Segment Rate 6.67% 2 nd Segment Rate 6.77 % 3 rd Segment Rate
Salary Scale	N/A
Mortality Rates	2010 Combined Mortality for healthy lives Disability Mortality per IRS Rev. Ruling 96-7 for Disabled
Retirement Age	First day of the month coinciding with or next following the employees' 65 th birthday and the completion of three years of credited service or age 57 with 35 years of service.
Form of payment	All assumed to elect the normal form of payment
Employees excluded	Those not eligible to participate.
Marriage	100% of males and 100% of females are assumed to be married. Wives are assumed to be three years younger than their husbands.
Actuarial Value of Assets	The Actuarial Value of Assets (AVA) must be within 10% of the Market Value of Assets on the valuation date and no more than 24 months of past experience can be recognized in the smoothing process.
Changes since prior year	The mortality table and interest rates were changed to comply with the Pension Protection Act of 2006. Effective 4/1/09, the Actuarial Value of Assets was changed from Market Value to the method shown above.

**Schedule SB, line 26 –
Schedule of Active Participant Data**

	Years of credited service:									
	1 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34	35 - 39	> 40	Total
Age										
< 25	20	4	0	0	0	0	0	0	0	24
25 to 29	21	14	0	0	0	0	0	0	0	35
30 to 34	13	21	5	0	0	0	0	0	0	39
35 to 39	17	25	7	12	1	0	0	0	0	62
40 to 44	21	29	9	14	1	0	0	0	0	74
45 to 49	21	35	11	10	2	0	0	0	0	79
50 to 54	4	22	7	8	5	1	2	0	0	49
55 to 59	7	8	9	8	2	0	0	0	0	34
60 to 64	1	14	4	5	1	0	1	0	0	26
65 to 69	0	3	0	1	0	0	0	0	0	4
70 & up	0	2	0	0	0	0	0	0	0	2
Total	125	177	52	58	12	1	3	0	0	428

**Schedule SB, line 32 –
Schedule of Amortization Bases**

Type of Base	Date Established	Balance At Val Date	Payment	Years Remaining At Val Date
Shortfall	4/1/2008	\$1,012,136	192,982	5
Shortfall	4/1/2009	1,527,293	257,752	6
Shortfall	4/1/2010	(154,901)	(25,934)	7
Total		\$ 2,539,429	\$ 450,734	

**Schedule SB, line 22 –
Description of Weighted Average Retirement Age**

All participants are assumed to retire at age 65.

**Schedule SB, line 19 –
Discounted Employer Contributions**

Date of Contribution	Contribution Amount	Contribution due date	Discounted Contribution
10/15/2010	\$131,498	7/15/2010	\$125,555
11/16/2010	\$131,498	10/15/2010	\$125,793
1/14/2011	\$131,498	1/15/2011	\$124,994
4/14/2011	\$131,498	4/15/2011	\$123,028
12/12/2011	\$4,744,942		\$4,254,073
	<u>\$5,270,934</u>		<u>\$4,753,443</u>

Effective Rate for Discounting: 6.64%

Late Quarterly interest rate: 11.64%

**Schedule SB, line 25 –
Change in Method**

The actuarial value of assets is changed to a 24 month smoothing method as permitted under Code section 430(g)(3)(B), the value of which is within 90% to 110% of the fair market value of assets.

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Interest Rate	4.71% 1 st Segment Rate 6.67% 2 nd Segment Rate 6.77 % 3 rd Segment Rate
Salary Scale	N/A
Mortality Rates	2010 Combined Mortality for healthy lives Disability Mortality per IRS Rev. Ruling 96-7 for Disabled
Retirement Age	First day of the month coinciding with or next following the employees' 65 th birthday and the completion of three years of credited service or age 57 with 35 years of service.
Form of payment	All assumed to elect the normal form of payment
Employees excluded	Those not eligible to participate.
Marriage	100% of males and 100% of females are assumed to be married. Wives are assumed to be three years younger than their husbands.
Actuarial Value of Assets	The Actuarial Value of Assets (AVA) must be within 10% of the Market Value of Assets on the valuation date and no more than 24 months of past experience can be recognized in the smoothing process.
Changes since prior year	The mortality table and interest rates were changed to comply with the Pension Protection Act of 2006. Effective 4/1/09, the Actuarial Value of Assets was changed from Market Value to the method shown above.

**Schedule SB, line 26 –
Schedule of Active Participant Data**

	Years of credited service:									
	1 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34	35 - 39	> 40	Total
Age										
< 25	20	4	0	0	0	0	0	0	0	24
25 to 29	21	14	0	0	0	0	0	0	0	35
30 to 34	13	21	5	0	0	0	0	0	0	39
35 to 39	17	25	7	12	1	0	0	0	0	62
40 to 44	21	29	9	14	1	0	0	0	0	74
45 to 49	21	35	11	10	2	0	0	0	0	79
50 to 54	4	22	7	8	5	1	2	0	0	49
55 to 59	7	8	9	8	2	0	0	0	0	34
60 to 64	1	14	4	5	1	0	1	0	0	26
65 to 69	0	3	0	1	0	0	0	0	0	4
70 & up	0	2	0	0	0	0	0	0	0	2
Total	125	177	52	58	12	1	3	0	0	428

**Schedule SB, line 32 –
Schedule of Amortization Bases**

Type of Base	Date Established	Balance At Val Date	Payment	Years Remaining At Val Date
Shortfall	4/1/2008	\$1,012,136	192,982	5
Shortfall	4/1/2009	1,527,293	257,752	6
Shortfall	4/1/2010	(154,901)	(25,934)	7
Total		\$ 2,539,429	\$ 450,734	

**Schedule SB, line 22 –
Description of Weighted Average Retirement Age**

All participants are assumed to retire at age 65.

**Schedule SB, line 19 –
Discounted Employer Contributions**

Date of Contribution	Contribution Amount	Contribution due date	Discounted Contribution
10/15/2010	\$131,498	7/15/2010	\$125,555
11/16/2010	\$131,498	10/15/2010	\$125,793
1/14/2011	\$131,498	1/15/2011	\$124,994
4/14/2011	\$131,498	4/15/2011	\$123,028
12/12/2011	\$4,744,942		\$4,254,073
	<u>\$5,270,934</u>		<u>\$4,753,443</u>

Effective Rate for Discounting: 6.64%

Late Quarterly interest rate: 11.64%

**Schedule SB, line 25 –
Change in Method**

The actuarial value of assets is changed to a 24 month smoothing method as permitted under Code section 430(g)(3)(B), the value of which is within 90% to 110% of the fair market value of assets.

**Schedule SB, Part V –
Summary of Plan Provisions**

- | | |
|-------------------------------------|---|
| 1. <u>Anniversary Date</u> | April 1. |
| 2. <u>Eligibility</u> | April 1 st nearest the attainment of age 21 and the completion of one year of service. |
| 3. <u>Normal Retirement Date</u> | First day of the month coinciding with or next following the employees' 65 th birthday and the completion of three years of credited service or age 57 with 35 years of service. |
| 4. <u>Normal Retirement Benefit</u> | <p>Monthly pension for life thereafter, equal to the greater of:</p> <p>(i) 1.5% of Average Monthly Compensation, times years of credited service, capped at 35 years.</p> <p>(ii) \$12.00 times years of credited service, capped at 35 years.</p> <p>Accrued Benefits frozen as of December 31, 2005, for Non U.S. Territorial Employees.</p> <p>U.S. Territorial Employees – a monthly pension for life thereafter, equal to \$7.50 times years of credited service, maximum 35 years.</p> |
| 5. <u>Early Retirement Date</u> | The first day of the month coinciding with or next following the participant's 55 th birthday and five years of service. |
| 6. <u>Early Retirement Benefit</u> | Accrued pension for life thereafter commencing at the Early Retirement Date, reduced 5/9 of 1% for each month between Early and Normal Retirement. |
| 7. <u>Disability Eligibility</u> | Participant must be eligible for Social Security Disability Benefits. |
| 8. <u>Disability Benefit</u> | Accrued Benefit payable at Normal Retirement Date. |

**Schedule SB, Part V –
Summary of Plan Provisions**

9. Termination Benefit

Participant's vested accrued pension, payable at Normal Retirement Date, based on years of credited service from the table below:

<u>Years of Service</u>	<u>Vested Percentage</u>
Less than 5	0%
5 or more	100%

10. Death Benefit

Joint & 50% Survivor coverage is automatic for the spouse of any vested participant regardless of age. Benefit is payable (1) after the later of the participant's death, or (2) the date the participant would have reached the earliest permissible retirement age.

**Schedule SB, Part V –
Statement of Actuarial Assumptions/Methods**

Interest Rate	4.71% 1 st Segment Rate 6.67% 2 nd Segment Rate 6.77 % 3 rd Segment Rate
Salary Scale	N/A
Mortality Rates	2010 Combined Mortality for healthy lives Disability Mortality per IRS Rev. Ruling 96-7 for Disabled
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Effective Rate for Discounting: 6.64%

Late Quarterly interest rate: 11.64%

**Schedule SB, line 25 –
Change in Method**

The actuarial value of assets is changed to a 24 month smoothing method as permitted under Code section 430(g)(3)(B), the value of which is within 90% to 110% of the fair market value of assets.

ROCKY BRANDS, INC. RETIREMENT PLAN

**FINANCIAL STATEMENTS
AND
SUPPLEMENTAL INFORMATION**

March 31, 2011 and 2010

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YANKOVICH ADELMAN
JOHNSON STEVENSON
Certified Public Accountants + Business Partners

To the Plan Administrator of
Rocky Brands, Inc. Retirement Plan
Nelsonville, Ohio

Independent Auditors' Report

We were engaged to audit the accompanying statements of net assets available for benefits of Rocky Brands, Inc. (the "Company") Retirement Plan (the "Plan") as of March 31, 2011 and 2010 and the related statements of changes in net assets available for benefits for the years then ended and the supplemental schedules of assets (held at end of year) and transactions or series of transactions in excess of 5% of the current value of Plan assets. These financial statements and supplemental schedules are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the investment information summarized in the notes to the financial statements, which was certified by the Trust Division of the Huntington National Bank, the trustee of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedules. We have been informed by the Plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained certification from the trustee as of and for the years ended March 31, 2011 and 2010, that the information provided to the Plan administrator by the trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedules taken as a whole. The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America, and in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Columbus, Ohio
January 13, 2012

Yankovich Adelman Johnson Stevenson, LLC

ROCKY BRANDS, INC. RETIREMENT PLAN

Statements of Net Assets Available for Benefits

March 31, 2011 and 2010

	2011	2010
Assets		
Investments at fair value:		
Money market funds	\$ 941,665	\$ 209,966
Common stocks	6,083,413	5,042,923
Corporate bonds	414,305	403,443
U.S. government bonds	1,203,784	1,460,829
Total investments	<u>8,643,167</u>	<u>7,117,161</u>
Receivables:		
Employer contribution	4,876,440	452,196
Accrued interest and dividends	17,735	18,596
Total assets	<u>13,537,342</u>	<u>7,587,953</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u><u>\$ 13,537,342</u></u>	<u><u>\$ 7,587,953</u></u>

The accompanying notes are an integral part of the financial statements.

ROCKY BRANDS, INC. RETIREMENT PLAN

Statements of Changes in Net Assets Available for Benefits

For the years ended March 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Additions to Net Assets Attributed to:		
Investment income		
Interest and dividend income	\$ 116,299	\$ 94,150
Net appreciation in fair value of investments	1,112,404	1,717,891
Employer contributions	5,270,934	452,196
Total additions	<u>6,499,637</u>	<u>2,264,237</u>
Deductions from Net Assets Attributed to:		
Benefit payments	389,002	385,518
Plan expenses	161,246	138,939
Total deductions	<u>550,248</u>	<u>524,457</u>
 Net increase	 5,949,389	 1,739,780
Net Assets Available for Benefits:		
Beginning of Year	<u>7,587,953</u>	<u>5,848,173</u>
 End of Year	 <u>\$ 13,537,342</u>	 <u>\$ 7,587,953</u>

The accompanying notes are an integral part of the financial statements.

ROCKY BRANDS, INC. RETIREMENT PLAN

Notes to Financial Statements

March 31, 2011 and 2010

Plan Description

The following brief description of the Rocky Brands, Inc. (the "Company") Retirement Plan (the "Plan") is provided for general information purposes only. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan is a defined benefit, non-contributory pension plan and trust subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). Effective April 1, 2009, the Plan was amended to comply with various regulatory and legal requirements. See appropriate Plan documents for details on the amendments. Additionally, the name of the Plan was changed from the Rocky Brands, Inc. Retirement Plan for Non-Union Employees to the Rocky Brands, Inc. Retirement Plan. Effective June 1, 2011, the Plan was amended to allow any participant who has attained normal retirement date but has not separated from employment to elect to commence distribution of his or her vested accrued benefit.

Effective September 1, 2011, the Plan was terminated by the Company. See the Plan Termination and Subsequent Events footnote for additional information.

Pension Benefits

The Plan covers all non-union employees who have attained the age of twenty-one (21) and have completed one year of credited service. Participants are fully vested after five (5) years of credited service. Benefits are payable at normal retirement age (age 65 with three (3) years of credited service), early retirement age (age 57 with five (5) years of credited service) or upon disability.

The contributions of Rocky Brands, Inc. based on actuarial determination, are made in amounts sufficient to fund the Plan's current service costs on a current basis, and to fund the unfunded liability for past service over a 20-year period.

Calculations of the present value of vested benefits under the Plan, and of the actuarially determined prior service costs, are made annually by independent actuaries. Significant assumptions underlying the actuarial computations include: Assumed rate of return on investments; assumed retirement at age 65; and assumed employee rates of termination from the Actuary's Pension Handbook.

The Company's funding policy is to make annual contributions to the Plan in amounts that are estimated to remain a constant \$7.50 each year for U.S. Territorial employees, and that are estimated to remain a constant percentage of employee's compensation each year for Non-U.S. Territorial employees, such that all employee benefits will be fully provided for by the time they retire.

The benefits of non-US territorial employees were frozen on December 31, 2005.

Notes to Financial Statements

March 31, 2011 and 2010

Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements are prepared on the accrual basis of accounting.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and changes therein and the actuarial present value of accumulated plan benefits at the date of the financial statements. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Fair Value footnote for discussion of fair value measurements.

Net appreciation in Fair Value of investments is reflected in the Statements of Changes in Net Assets Available for Benefits and includes realized gains and losses on investments bought and sold and the change in appreciation from one period to the next. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

.

Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefits (see Plan Benefits) are those estimated future periodic payments, including lump-sum distributions that are attributable under the Plan's provisions to services rendered by the employees to the valuation date. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries (b) beneficiaries of employees who have died and (c) present employee or their beneficiaries. Benefits for retired or terminated employees or their beneficiaries are based on employees' years of service. The accumulated plan benefits for active employees are based on their average compensation during the three years ending on the date as of which the benefit information is presented (the valuation date). Benefits payable under all circumstances – retirement, death, disability and termination of employment are included, to the extent they are deemed attributable to employee service rendered at the valuation date.

ROCKY BRANDS, INC. RETIREMENT PLAN

Notes to Financial Statements

March 31, 2011 and 2010

Summary of Significant Accounting Policies (continued)

The actuarial present value of accumulated plan benefits is determined by an independent actuary from CBIZ Benefits and Insurance Services, Inc. The present value that results is from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts of interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment. The significant actuarial assumptions used in the valuations of March 31, 2011 and 2010 were (a) life expectancy of participants (2011 and 2010 Combined Mortality for Healthy Lives Disability), (b) retirement age assumptions (the assumed average retirement age was 65) and (c) investment return 13.1% and 30.8%, respectively

Payment of Benefits

Benefit payments to participants are recorded upon distribution.

Administrative Expenses

Trustee fees incurred by the Plan are recorded as incurred.

Plan Benefits

The actuarial present value of accumulated plan benefits is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits earned by the participants to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment.

The actuarial present value of accumulated plan benefits as of the end of each plan year is as follows:

	<u>2011</u>	<u>2010</u>
Vested Benefits:		
Participants currently receiving payments	\$ 4,454,927	\$ 4,130,055
Other participants	5,152,875	5,554,103
Total vested benefits	9,607,802	9,684,158
Non-vested benefits	1,399,438	358,500
Total accumulated plan benefits	<u>\$ 11,007,240</u>	<u>\$ 10,042,658</u>

ROCKY BRANDS, INC. RETIREMENT PLAN

Notes to Financial Statements

March 31, 2011 and 2010

Plan Benefits (continued)

The changes in actuarial present value of accumulated plan benefits for each plan year are as follows:

	2011	2010
Present value at the beginning of the year	\$ 10,042,658	\$ 9,284,178
Increase (decrease) attributable to:		
Change in assumption(s)	569,419	331,167
Benefits accumulated	186,382	209,161
Decrease in discount period	597,783	603,670
Benefits paid	(389,002)	(385,518)
Total present value	\$ 11,007,240	\$ 10,042,658

Significant assumptions underlying the actuarial computations are as follows:

Actuarial cost method	Entry age normal
Assumed rate of return on investments	13.1%
Mortality	2011 Combined Mortality for Healthy Lives Table
Retirement	Normal retirement age under the Plan

During 2011, the actuary changed the Mortality table to the 2011 Combined Healthy Lives Mortality Table and assumed rate of return from 30.8% to 13.1%

Funding Policy

The Company's funding policy is to fully fund the plan for all accrued benefits. The Company did not make a contribution in the year ended March 31, 2010. The Company made \$846,690 in contributions to the Plan during 2011. The Plan has recorded a contribution receivable of \$4,876,440 to fund the accrued benefit payments due to the termination of the plan. An additional \$30,693 of accrued benefits was earned by participants between April 1, 2011 and August 31, 2011 and contributed by the Company. The Company made the contribution to the Plan as of December 31, 2011.

Notes to Financial Statements

March 31, 2011 and 2010

Fair Value Measurements

ASC 820 establishes a framework for measuring Fair Value which provides the Fair Value hierarchy that prioritizes the inputs to valuation techniques used to measure Fair Value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under ASC are described below:

- | | |
|---------|---|
| Level 1 | Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access. |
| Level 2 | <p>Inputs to the valuation methodology include:</p> <ul style="list-style-type: none">• Quoted prices for similar assets or liabilities in active markets;• Quoted prices for identical or similar assets or liabilities in inactive markets;• Inputs other than quoted prices that are observable for the asset or liability;• Inputs that are derived principally from or corroborated by observable market data by correlation or other means. <p>If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.</p> |
| Level 3 | Inputs to the valuation methodology are unobservable and significant to the fair value measurement. |

The asset's or liability's Fair Value measurement level within the Fair Value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques should maximize the use of observable inputs and minimize the use of unobservable inputs.

ROCKY BRANDS, INC. RETIREMENT PLAN

Notes to Financial Statements

March 31, 2011 and 2010

Fair Value Measurements (continued)

Following is a description of the valuation methodologies used for assets measured at Fair Value. There have been no changes in the methodologies used at March 31, 2010.

Money market and equities: Valued at the quoted stock price per share held by the Plan at year-end.

U.S Government Obligations: Valued at the closing price reported on the active market on which the individual security is traded.

Corporate Bond Obligations: Valued at the closing price reported on the active market on which the individual security is traded.

The methods described above may produce a Fair Value calculation that may not be indicative of net realizable value or reflective of future Fair Values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the Fair Value of certain financial instruments could result in a different Fair Value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets as Fair Value at March 31, 2011:

	Level 1	Level 2	Level 3	Total
Equities	\$ 6,083,413	\$ -	\$ -	\$ 6,083,413
Corporate Bond	414,305	-	-	414,305
US Gov't Bond	1,203,784	-	-	1,203,784
Money Market	941,665	-	-	941,665
Total Investments	<u>\$ 8,643,167</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,643,167</u>
Interest and Dividends	<u>\$ 116,299</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 116,299</u>

ROCKY BRANDS, INC. RETIREMENT PLAN

Notes to Financial Statements

March 31, 2011 and 2010

Fair Value Measurements (continued)

The following table sets forth by level, within the fair value hierarchy, the Plan's assets as Fair Value at March 31, 2010:

	Level 1	Level 2	Level 3	Total
Equities	\$ 5,042,923	\$ -	\$ -	\$ 5,042,923
Corporate Bond	403,443	-	-	403,443
US Gov't Bond	1,460,829	-	-	1,460,829
Money Market	209,966	-	-	209,966
Total Investments	<u>\$ 7,117,161</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,117,161</u>
Interest and Dividends	<u>\$ 94,150</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 94,150</u>

Investments

The Plan's investments are held by a Trustee. The following information included in the accompanying financial statements and supplemental schedule was obtained from data that has been prepared and certified to as complete and accurate by the Trustee. During 2011 and 2010, the Plan's investments appreciated or depreciated in Fair Value as follows:

	Gains/Losses Net Appreciation (Depreciation) In Fair Value During Year	Fair Value at End of Year
Year ended March 31, 2011		
Corporate bonds	\$ 4,460	\$ 414,305
U.S government bonds	7,892	1,203,784
Common stocks	1,100,052	6,083,413
Money market funds	-	941,665
Total	<u>\$ 1,112,404</u>	<u>\$ 8,643,167</u>
Year ended March 31, 2010		
Corporate bonds	\$ (208)	\$ 403,443
U.S government bonds	2,833	1,460,829
Common stocks	1,715,266	5,042,923
Money market funds	-	209,966
Total	<u>\$ 1,717,891</u>	<u>\$ 7,117,161</u>

ROCKY BRANDS, INC. RETIREMENT PLAN

Notes to Financial Statements

March 31, 2011 and 2010

Investments (continued)

Individual investments that represent 5% or more of the Plan's net assets are as follows:

		<u>2011</u>	<u>2010</u>
Money market funds	Huntington Money Market Fund II	\$ 941,665	\$ *
Common stocks	Rocky Brands, Inc	\$ 960,348	\$ 680,679

* These investments did not represent more than 5% or more of the Plan's net assets as of March 31, 2010.

Transactions with Related Parties and Parties-in-Interest

In March 2011, the Plan sold 8,500 shares of Company stock for proceeds of \$135,759 and a gain of \$54,699. The Plan held 62,850 and 71,350 shares of common stock issued by the Plan Sponsor as of March 31, 2011 and 2010, respectively. No additional shares were purchased during the years ending March 31, 2011 and 2010.

Plan Termination and Subsequent Events

The Company made a decision on July 15, 2011 to terminate the Plan effective September 1, 2011. All benefit accruals ceased effective August 31, 2011. Each participant's accrued benefit became fully vested and non-forfeitable as of September 1, 2011. Participants are able to request a direct lump sum payment or the Plan would purchase a non-transferable annuity contract. The Plan has recorded a receivable in the amount of \$4,876,440 for the benefits accrued through March 31, 2011. An additional \$30,693 of benefit was accrued from April 1, 2011 through August 31, 2011. As of December 31, 2011, the Plan's assets were fully liquidated and the Plan received the \$4,907,133 of contributions from the Company and paid out the accrued benefits to the participants. Additionally, as of January 6, 2012, the Plan has liquidated all investments. The Plan evaluated subsequent events through the date the financial statements were issued which was January 13, 2012.

Income Tax Status

The Internal Revenue Service has determined and informed the Company by a letter dated October 10, 2007, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). The Plan has been amended since receiving the determination letter. The Plan has also filed a request for determination letter to terminate the Plan. The Plan administrator believes that the Plan is being terminated in compliance with the applicable requirements of the IRC and a provision for income taxes is not necessary.

ROCKY BRANDS, INC. RETIREMENT PLAN

Notes to Financial Statements

March 31, 2011 and 2010

Risk and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the Statements of Net Assets Available for Benefits.

Plan contributions are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

SUPPLEMENTAL INFORMATION

ROCKY BRANDS, INC. RETIREMENT PLAN
EIN#31-1364046 PLAN: #002

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

March 31, 2011

(a)	Identity of Issue, Borrower, (b) Lessor or Similar Party	Description (c) Investment	(d) Cost	Current (e) Value
	Common Stocks:			
	AMB Property Corp	Common Stock	2,516	4,604
	AT&T	Common Stock	17,841	15,274
	Abbott Laboratories	Common Stock	16,709	17,413
	Acacia Research Corp	Common Stock	12,368	33,354
	Aecom Technology Corp	Common Stock	15,221	15,723
	Affiliated Managers Group	Common Stock	10,600	24,390
	Agilent Technologies Inc	Common Stock	26,324	32,689
	Air Prods & Chems Inc w/1RT/SH	Common Stock	24,415	35,982
	Allergan Inc w/1 RT/SH	Common Stock	22,802	22,584
	Alliance Data Systems Corp	Common Stock	9,136	19,497
	Alliant Techsystem Inc w/1 RT/SH	Common Stock	8,861	8,975
	Amazon.com Inc	Common Stock	17,758	41,790
	American Campus Communities	Common Stock	6,510	7,128
	American Electric Power	Common Stock	10,200	13,634
	American Express	Common Stock	42,272	49,765
	American Superconductor Corp	Common Stock	11,095	9,749
	American Water Works Co Inc	Common Stock	19,206	25,722
	Ameriprise Financial Inc.	Common Stock	8,039	7,940
	Amgen Inc	Common Stock	15,886	16,035
	Apache Corp	Common Stock	52,532	59,307
	Apple Inc	Common Stock	40,078	83,990
	Atheros Communications	Common Stock	1,574	2,322
	Avalonbay Communities Inc	Common Stock	6,394	14,650
	Bank of America Corp	Common Stock	24,338	26,647
	Bank of the Ozark	Common Stock	1,377	1,705
	Bed Bath & Beyond Inc	Common Stock	20,205	29,010
	Big Lots Inc.	Common Stock	17,857	25,754
	Blackboard Inc	Common Stock	2,417	2,464
	Blackstone Group LP	Common Stock	18,883	32,345
	Boeing Co	Common Stock	8,318	10,350
	Boston Properties Inc w/1 RT P/S	Common Stock	4,300	8,821
	Bristol-Myers Squibb Co	Common Stock	16,412	16,202
	Broadcom Corp CL A	Common Stock	20,041	36,466
	Brocade Communications Sys	Common Stock	23,506	25,984
	CVS Caremark Corp	Common Stock	14,444	15,547
	California Pizza Kitchen Inc	Common Stock	2,076	2,313

ROCKY BRANDS, INC. RETIREMENT PLAN
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Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

March 31, 2011

(a)	Identity of Issue, Borrower, (b) Lessor or Similar Party	Description (c) Investment	(d) Cost	Current (e) Value
	Carnival Corp	Common Stock	25,702	29,959
	Caterpillar Inc	Common Stock	31,129	53,448
	Chico's Fas Inc	Common Stock	12,418	12,671
	Cinemark Holdings Inc	Common Stock	2,756	3,096
	Citigroup Inc	Common Stock	24,089	22,250
	Cobiz Financial Inc	Common Stock	3,847	4,476
	Coca Cola Co	Common Stock	35,281	40,600
	Cognizant Tech Solutions Crp	Common Stock	25,080	40,537
	Compass Minerals Intl	Common Stock	18,704	26,750
	Conocophillips	Common Stock	68,724	83,054
	Crocs Inc	Common Stock	2,309	3,390
	Cypress Semiconductor Corp	Common Stock	3,405	4,690
	DST Systems Inc Del W/1 Right	Common Stock	21,208	26,991
	Dawson Geophysical Co	Common Stock	8,456	9,259
	Deere & Co w/1 RT/SH	Common Stock	29,551	45,926
	Diamond Foods Inc	Common Stock	4,221	7,142
	Digitalglobe Inc	Common Stock	6,133	5,522
	Walt Disney Co	Common Stock	10,707	12,668
	Discover Financial Svs	Common Stock	24,527	35,963
	Directv Class A	Common Stock	7,260	7,582
	Donnelley (R.R.) & Sons Co	Common Stock	20,808	19,885
	Entertainment Properties TR	Common Stock	19,736	25,611
	Equifax Inc	Common Stock	20,391	25,758
	Eresearch Technologu Inc	Common Stock	5,509	4,753
	Exxon Mobil Corp	Common Stock	27,875	32,811
	FMC Corp	Common Stock	16,116	24,715
	FNB Corp	Common Stock	2,218	3,299
	Fedex Corp	Common Stock	21,820	23,294
	Ferro Corp	Common Stock	2,341	3,799
	Fifth Third Bancorp	Common Stock	37,981	41,280
	Fifth Street Finance Corp	Common Stock	1,089	1,175
	Finisar Corporation	Common Stock	5,260	12,177
	First Cash Financial Service	Common Stock	7,405	11,348
	Ford Motor Co	Common Stock	24,214	44,969
	Forest Oil Corp	Common Stock	23,349	28,335
	Freeport-McMoran C & G w/1 RT/SH	Common Stock	12,443	22,776
	Gannett Inc	Common Stock	20,630	21,139

ROCKY BRANDS, INC. RETIREMENT PLAN
EIN#31-1364046 PLAN: #002

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

March 31, 2011

(a)	Identity of Issue, Borrower, (b) Lessor or Similar Party	Description (c) Investment	(d) Cost	Current (e) Value
	Gardner Denver Inc	Common Stock	13,581	22,707
	General Dynamics Corp	Common Stock	19,497	20,442
	General Electric Co	Common Stock	23,197	29,393
	Georesources Inc	Common Stock	2,889	3,502
	Geoeye Inc	Common Stock	2,587	2,495
	Filead Scientces Inc w/1 RT/SH	Common Stock	7,693	7,730
	Goldman Sachs Group Inc	Common Stock	36,803	42,822
	Google Inc - CL A	Common Stock	35,658	38,726
	Guess Inc	Common Stock	16,076	17,550
	Hain Celestial Group Inc	Common Stock	4,572	5,714
	Halliburton Co	Common Stock	8,606	9,519
	Hanesbrands Inc	Common Stock	14,957	15,981
	Hang Lung Properties LTD	Common Stock	7,842	9,237
	Heartland Payment Systems Inc	Common Stock	3,495	3,786
	Hercules Technology Growth	Common Stock	4,087	4,488
	Hersha Hospitality Trust	Common Stock	18,971	19,644
	Hershey Co w/1 RT/SH	Common Stock	4,409	4,402
	Hess Corp	Common Stock	19,613	28,716
	Hewlett Packard Co	Common Stock	14,497	14,340
	Home Depot Inc	Common Stock	23,452	33,206
	Hornbeck Offshore Services	Common Stock	5,624	6,263
	Hughes Communications Inc	Common Stock	1,476	4,774
	Humana Inc	Common Stock	9,032	9,931
	Hunt Jb Trans Svcs	Common Stock	12,117	21,938
	Illinois Tool Works	Common Stock	18,372	18,372
	Illumina Inc	Common Stock	14,133	21,091
	Imax Corp F	Common Stock	3,224	3,262
	Impax Laboratories Inc	Common Stock	6,605	7,686
	Ingram Micro Inc CL A COM	Common Stock	20,952	26,750
	Interap Network Services	Common Stock	6,408	6,097
	IBM Corp	Common Stock	10,855	16,796
	Internet Cap	Common Stock	6,779	11,616
	Itron Inc Com	Common Stock	25,997	26,075
	JDS Uniphase Corp	Common Stock	13,669	11,629
	JP Morgan Chase & Co	Common Stock	33,413	38,816
	Johnson & Johnson	Common Stock	28,643	27,848
	Juniper Networks Inc	Common Stock	16,816	21,713

ROCKY BRANDS, INC. RETIREMENT PLAN
EIN#31-1364046 PLAN: #002

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

March 31, 2011

(a)	Identity of Issue, Borrower, (b) Lessor or Similar Party	Description (c) Investment	(d) Cost	Current (e) Value
	Keycorp New W/1 RT/SH	Common Stock	14,366	15,735
	Kforce Inc	Common Stock	9,050	12,627
	Kohls Corp	Common Stock	19,613	19,943
	Komatsu Ltd	Common Stock	12,560	19,224
	Kraft Foods Inc	Common Stock	8,814	9,439
	Las Vegas Sands Corp	Common Stock	19,352	38,167
	Estee Lauder Co Inc	Common Stock	11,303	31,221
	Lincoln National Corp	Common Stock	14,324	16,672
	Logmein Inc	Common Stock	6,207	6,619
	Memc Electr Matls Inc Com	Common Stock	27,912	25,389
	Mastec Inc	Common Stock	934	1,602
	Mastercard Inc CL A	Common Stock	25,543	30,458
	McDonalds Corp	Common Stock	18,640	25,490
	Mediamind Technologies Inc	Common Stock	719	911
	Medley Capital Corp	Common Stock	5,026	5,140
	Merck & Co Inc	Common Stock	23,116	23,371
	Metlife Inc	Common Stock	22,395	24,825
	Microsoft Corp	Common Stock	13,020	15,234
	Micron Technology	Common Stock	17,137	23,743
	Middleby Corp	Common Stock	3,716	6,425
	Mips Technology Inc	Common Stock	6,917	5,025
	Monro Muffler Brake Inc	Common Stock	3,061	3,001
	Monsanto Co	Common Stock	23,536	26,086
	National Oilwell Varco Inc	Common Stock	23,009	31,391
	Natural Gas Services Group	Common Stock	4,536	3,481
	Natus Medical Inc	Common Stock	2,931	3,142
	Netapp Inc	Common Stock	18,863	27,059
	Northern Oil & Gas Inc	Common Stock	6,651	6,435
	Northrop Grumman Corp w/1 RT/SH	Common Stock	6,857	6,208
	OSI Systems Inc	Common Stock	5,449	7,243
	Occidental Petroleum Corp	Common Stock	29,170	38,452
	Old Dominion Freight Line	Common Stock	5,956	6,878
	Oracle Corporation Formerly Oracle Sys Corp	Common Stock	52,539	62,418
	Optiosepress	Common Stock	3,437	3,892
	PG & E Corp	Common Stock	12,830	13,563
	PNC Financial Services	Common Stock	19,988	30,865
	Par Pharmaceutical Cos Inc	Common Stock	6,180	6,185

ROCKY BRANDS, INC. RETIREMENT PLAN
EIN#31-1364046 PLAN: #002

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

March 31, 2011

(a)	Identity of Issue, Borrower, (b) Lessor or Similar Party	Description (c) Investment	(d) Cost	Current (e) Value
	Peabody Energy Corp W/1 RT/SH	Common Stock	20,591	32,886
	Pepsico Inc	Common Stock	12,210	16,360
	Petrohawk Energy Corp	Common Stock	20,929	27,338
	Pfizer Inc	Common Stock	47,815	55,487
	Pinnacle Financial Partners	Common Stock	4,495	5,806
	Plains Exploration & Product	Common Stock	25,543	26,738
	Polaris Ind Inc w/1 RT/SH	Common Stock	3,787	4,612
	Priceline.com Inc	Common Stock	8,211	47,605
	Prudential Financial Inc	Common Stock	20,063	30,790
	Qualcomm Inc w 1 RT P/S EXP 9/25/15	Common Stock	36,844	43,480
	Regal Entertainment Group - A	Common Stock	9,352	9,086
	Reliance Steel & Alum	Common Stock	18,831	26,521
	Research in Motion	Common Stock	9,421	8,877
	Reynolds American Inc	Common Stock	12,943	14,105
	Riverbed Technology Inc	Common Stock	15,207	20,595
	Rockwell Automation, Inc	Common Stock	7,526	7,761
*	Rocky Brands Inc Common Stock	Common Stock	380,064	960,348
	SBA Communications Corp W/1 RT/SH	Common Stock	19,079	24,760
	St Jude Medical Inc	Common Stock	4,387	4,408
	Salesforce.com Inc	Common Stock	19,760	19,369
	Sandisk Corp	Common Stock	19,377	19,035
	Sandridge Energy	Common Stock	11,380	27,136
	Henry Schein Inc	Common Stock	7,571	9,613
	Schlumberger LTD	Common Stock	14,541	21,170
	Sempra Energy	Common Stock	13,368	14,445
	Simon Property Group Inc	Common Stock	10,118	10,073
	Sonoco Products	Common Stock	3,463	5,253
	Southern Copper Corp	Common Stock	4,499	7,007
	Starbucks Corp	Common Stock	20,970	40,386
	Starwood Hotels & Resorts	Common Stock	13,897	14,879
	Stillwater Mining Company	Common Stock	8,005	8,828
	Stryker Corp	Common Stock	15,297	14,410
	Sucessfactors Inc	Common Stock	979	2,345
	Summit Hotel Properties Inc	Common Stock	228	229
	Suntrust Banks Inc	Common Stock	21,033	24,456
	TJX Companies Inc	Common Stock	9,699	16,560
	Targacept Inc	Common Stock	2,235	2,872

ROCKY BRANDS, INC. RETIREMENT PLAN
 EIN#31-1364046 PLAN: #002

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

March 31, 2011

(a)	Identity of Issue, Borrower, (b) Lessor or Similar Party	Description (c) Investment	(d) Cost	Current (e) Value
	Target Corp	Common Stock	18,841	20,604
	Teleflex Inc W/1 RT/SH	Common Stock	24,190	25,453
	Thermo Fisher Scientific Inc	Common Stock	49,388	61,494
	Tidewater Inc	Common Stock	17,414	18,613
	Time Warner Inc	Common Stock	30	36
	Time Warner Cable Inc New	Common Stock	7,954	7,990
	Tower Bancorp Inc	Common Stock	4,353	3,878
	U S Bancorp	Common Stock	16,177	19,955
	Union Pacific Corp	Common Stock	15,262	24,288
	United National Foods Inc	Common Stock	6,945	13,715
	United States Steel Corp	Common Stock	7,492	10,734
	United Technologies Corp	Common Stock	20,354	23,871
	UnitedHealth Group Inc	Common Stock	12,689	19,978
	Universal Health Services CL B	Common Stock	4,387	9,635
	Verizon Communications	Common Stock	13,631	16,302
	Verint Systems Inc	Common Stock	4,709	8,100
	Visa Inc Class A Shares	Common Stock	26,129	27,828
	Wal-Mart Stores Inc	Common Stock	25,888	25,244
	Waste Connections Inc	Common Stock	5,957	7,831
	Waste Management Inc	Common Stock	6,351	8,364
	Watson Phartmaceuticals Inc	Common Stock	27,675	29,909
	Wells Fargo & Co	Common Stock	59,219	75,184
	WestAmerica Bancorporation	Common Stock	5,631	5,497
	Whole Foods Market Inc	Common Stock	15,342	43,296
	XILINX	Common Stock	16,690	27,552
	Zions Bancorp	Common Stock	21,617	22,945
	Bunge Limited	Common Stock	17,816	26,328
	Willis Group Holdings PLC	Common Stock	16,883	26,113
	Syneron Medical Ltd	Common Stock	4,966	6,103
	Core Laboratories N.V.	Common Stock	17,626	29,731
	America Movil SAB DE CV ADR Series L	Common Stock	12,243	13,014
	Arcelormittal NY Registered	Common Stock	10,029	10,194
	Arm Holdings PLC SPONS ADR	Common Stock	1,828	7,972
	Assa Ablouy AB UNSP ADR	Common Stock	14,329	14,918
	BASF SE - SPON ADR	Common Stock	7,044	7,374
	BG Group PLC - Spon ADR	Common Stock	12,186	17,528
	BNP Paribas	Common Stock	21,666	20,361

ROCKY BRANDS, INC. RETIREMENT PLAN
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Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

March 31, 2011

(a)	Identity of Issue, Borrower, (b) Lessor or Similar Party	Description (c) Investment	(d) Cost	Current (e) Value
	BHP Billiton LTD - Spon ADR Common Stock	Common Stock	10,168	20,710
	CNOOC LTD - ADR	Common Stock	10,346	17,966
	Canadian NATL Railway COM	Common Stock	13,286	18,818
	Canadian Natural Resources	Common Stock	6,916	11,023
	Canon Inc SP ADR	Common Stock	14,911	16,126
	China Merchants Unspn ADR	Common Stock	11,011	13,599
	Coca Cola Hellenic BTLNG ADR	Common Stock	9,134	6,534
	Credit Suisse Group Spon ADR	Common Stock	14,164	12,987
	Dassault Systems ADR	Common Stock	7,254	9,697
	Embraer SA	Common Stock	12,755	13,581
	Ericsson L M Tel Co - SP ADR	Common Stock	5,268	7,266
	Fanuc LTD Unsp ADR	Common Stock	7,537	14,536
	Flsmidth & Co A/S Unspn ADR	Common Stock	5,530	8,335
	Fresenius Medical Care AG	Common Stock	11,973	18,973
	Gazprom OAO SPON ADR	Common Stock	19,652	14,048
	HSBC HLDGS PLC SPONS ADR NEW	Common Stock	9,691	9,479
	Hennes & Mauritz AB - UNSP ADR	Common Stock	14,728	17,543
	Hong Kong Exchanges UNSPON ADR	Common Stock	5,802	12,102
	Ind & Comm BK of China Unspn ADR	Common Stock	12,436	14,983
	Itau Unibanco Holding SA ADR	Common Stock	8,829	12,193
	Kingfisher PLC - Spons ADR	Common Stock	11,613	15,474
	LVMH MOET Hennessy Lou - ADR	Common Stock	11,088	22,414
	Lululemon Athletica Inc	Common Stock	2,325	4,987
	Man Group PLC	Common Stock	7,146	7,663
	Mitsubishi UFJ FINL GRP ADR	Common Stock	14,482	11,307
	National Grid PCC -SP ADR	Common Stock	7,813	8,647
	Nestle SA Sponsored ADR Repstg Reg SH	Common Stock	37,326	44,429
	New Oriental Educatin SP ADR	Common Stock	8,712	11,308
	Nice Systems LTD	Common Stock	12,886	15,478
	Novartis AG ADR	Common Stock	16,840	18,153
	Novo Nordisk ADR	Common Stock	10,379	19,536
	Potosh Corp of Saskatchewan	Common Stock	25,219	36,419
	Publicis Groupe ADR	Common Stock	9,726	12,440
	Reckitt Benckiser Group ADR	Common Stock	17,604	19,144
	SXC Health Solutions Corp	Common Stock	10,841	16,659
	Sabmiller PLC	Common Stock	7,217	10,297
	SAP AG - Sponsored ADR	Common Stock	18,650	24,544

ROCKY BRANDS, INC. RETIREMENT PLAN
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Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

March 31, 2011

(a)	Identity of Issue, Borrower, (b) Lessor or Similar Party	Description (c) Investment	(d) Cost	Current (e) Value
	Siemens AG ADR	Common Stock	11,800	13,459
	Telefonica SA Spon ADR	Common Stock	17,393	17,326
	Tencent Holdings LTD UNS ADR	Common Stock	9,560	11,207
	Tesco PLC Sponsored ADR	Common Stock	20,290	18,670
	Teva Pharmaceutical - Sp ADR	Common Stock	23,057	23,680
	Toyota Mtr LTD Com 2 ADR	Common Stock	20,691	18,779
	Turkiye Garanti Bankasi ADR	Common Stock	12,093	12,605
	Vestas Wind Systems - Unsp ADR	Common Stock	17,084	9,444
	Vodafone Group PLC	Common Stock	13,885	14,059
	Volkswagen AG	Common Stock	6,488	9,725
	Walmart De Mexico - Spon ADR V	Common Stock	7,658	13,432
	Accenture PLC CL A	Common Stock	31,070	35,181
	Covidien PLC	Common Stock	11,289	14,803
	Fabrinet	Common Stock	3,202	2,238
	Ingersoll - Rand PLC	Common Stock	6,089	8,551
	Warner Chilcott PLC Class-A	Common Stock	26,032	25,446
	Weatherford Intl LTD	Common Stock	13,983	19,775
	Logitech International-Reg	Common Stock	16,313	13,054
	Tornier NV	Common Stock	1,177	1,184
	Total Common Stocks		4,384,515	6,083,413
	Cash Management Funds			
*	Huntington Money Market Fund II	Money Market	941,665	941,665
	U.S. Government Bonds			
	FFCB 1.75% 2/21/2013	Bond	200,144	203,120
	FHLB 1.9% 12/29/2015	Bond	176,243	171,684
	FHLB 3.125% 12/13/2013	Bond	205,596	209,146
	FHLB 1.75% 12/14/2012	Bond	99,563	101,634
	FHLB 2.75% 12/12/2014	Bond	248,008	258,230
	FHLB 2.875% 6/12/2015	Bond	252,038	259,970
	Total U.S Government Bonds		1,181,591	1,203,784
	Corporate Bonds			
	Morgan Stanley 4.75% 4/1/2014	Bond	102,750	104,202
	PNC Funding Corp 3.625% 2/8/2015	Bond	99,643	103,385
	Praxair Inc. 2.125% 6/14/2013	Bond	100,222	102,420

ROCKY BRANDS, INC. RETIREMENT PLAN
EIN#31-1364046 PLAN: #002

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

March 31, 2011

(a)	Identity of Issue, Borrower,	Description	(d) Cost	Current
	(b) Lessor or Similar Party	(c) Investment		(e) Value
	Sherwin-Williams Co 3.125% 12/15/2014	Bond	101,036	104,298
	Total Corporate Bonds Government Bonds		403,651	414,305
	Total Investments		6,911,421	8,643,167

*Denotes a party-in-interest investment

ROCKY BRANDS, INC. RETIREMENT PLAN
EIN#31-1364046 PLAN: #002

Schedule H, Line 4i
Transactions or Series of Transactions in Excess of 5% of the Current Value of Plan Assets

Year Ended March 31, 2011

(b) Description	Purchase (c) Price	Selling (d) Price	Cost of (g) Asset	Current Value of Asset on Transaction (h) Date	Net Gain (i) (Loss)
Category (iii) - A series of transactions in excess of 5% of plan assets					

Category (iii) - A single transactions in excess of 5% of plan assets

There were no category (i), (ii), (iii) or (iv) reportable transactions during the year ended March 31, 2011

*Denotes a party-in-interest investment.

ROCKY BRANDS, INC. RETIREMENT PLAN

**FINANCIAL STATEMENTS
AND
SUPPLEMENTAL INFORMATION**

March 31, 2011 and 2010

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YANKOVICH ADELMAN
JOHNSON STEVENSON
Certified Public Accountants + Business Partners

To the Plan Administrator of
Rocky Brands, Inc. Retirement Plan
Nelsonville, Ohio

Independent Auditors' Report

We were engaged to audit the accompanying statements of net assets available for benefits of Rocky Brands, Inc. (the "Company") Retirement Plan (the "Plan") as of March 31, 2011 and 2010 and the related statements of changes in net assets available for benefits for the years then ended and the supplemental schedules of assets (held at end of year) and transactions or series of transactions in excess of 5% of the current value of Plan assets. These financial statements and supplemental schedules are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the investment information summarized in the notes to the financial statements, which was certified by the Trust Division of the Huntington National Bank, the trustee of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedules. We have been informed by the Plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained certification from the trustee as of and for the years ended March 31, 2011 and 2010, that the information provided to the Plan administrator by the trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedules taken as a whole. The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America, and in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Columbus, Ohio
January 13, 2012

Yankovich Adelman Johnson Stevenson, LLC

ROCKY BRANDS, INC. RETIREMENT PLAN

Statements of Net Assets Available for Benefits

March 31, 2011 and 2010

	2011	2010
Assets		
Investments at fair value:		
Money market funds	\$ 941,665	\$ 209,966
Common stocks	6,083,413	5,042,923
Corporate bonds	414,305	403,443
U.S. government bonds	1,203,784	1,460,829
Total investments	<u>8,643,167</u>	<u>7,117,161</u>
Receivables:		
Employer contribution	4,876,440	452,196
Accrued interest and dividends	17,735	18,596
Total assets	<u>13,537,342</u>	<u>7,587,953</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u><u>\$ 13,537,342</u></u>	<u><u>\$ 7,587,953</u></u>

The accompanying notes are an integral part of the financial statements.

ROCKY BRANDS, INC. RETIREMENT PLAN

Statements of Changes in Net Assets Available for Benefits

For the years ended March 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Additions to Net Assets Attributed to:		
Investment income		
Interest and dividend income	\$ 116,299	\$ 94,150
Net appreciation in fair value of investments	1,112,404	1,717,891
Employer contributions	5,270,934	452,196
Total additions	<u>6,499,637</u>	<u>2,264,237</u>
Deductions from Net Assets Attributed to:		
Benefit payments	389,002	385,518
Plan expenses	161,246	138,939
Total deductions	<u>550,248</u>	<u>524,457</u>
 Net increase	 5,949,389	 1,739,780
Net Assets Available for Benefits:		
Beginning of Year	<u>7,587,953</u>	<u>5,848,173</u>
 End of Year	 <u>\$ 13,537,342</u>	 <u>\$ 7,587,953</u>

The accompanying notes are an integral part of the financial statements.

ROCKY BRANDS, INC. RETIREMENT PLAN

Notes to Financial Statements

March 31, 2011 and 2010

Plan Description

The following brief description of the Rocky Brands, Inc. (the "Company") Retirement Plan (the "Plan") is provided for general information purposes only. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan is a defined benefit, non-contributory pension plan and trust subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). Effective April 1, 2009, the Plan was amended to comply with various regulatory and legal requirements. See appropriate Plan documents for details on the amendments. Additionally, the name of the Plan was changed from the Rocky Brands, Inc. Retirement Plan for Non-Union Employees to the Rocky Brands, Inc. Retirement Plan. Effective June 1, 2011, the Plan was amended to allow any participant who has attained normal retirement date but has not separated from employment to elect to commence distribution of his or her vested accrued benefit.

Effective September 1, 2011, the Plan was terminated by the Company. See the Plan Termination and Subsequent Events footnote for additional information.

Pension Benefits

The Plan covers all non-union employees who have attained the age of twenty-one (21) and have completed one year of credited service. Participants are fully vested after five (5) years of credited service. Benefits are payable at normal retirement age (age 65 with three (3) years of credited service), early retirement age (age 57 with five (5) years of credited service) or upon disability.

The contributions of Rocky Brands, Inc. based on actuarial determination, are made in amounts sufficient to fund the Plan's current service costs on a current basis, and to fund the unfunded liability for past service over a 20-year period.

Calculations of the present value of vested benefits under the Plan, and of the actuarially determined prior service costs, are made annually by independent actuaries. Significant assumptions underlying the actuarial computations include: Assumed rate of return on investments; assumed retirement at age 65; and assumed employee rates of termination from the Actuary's Pension Handbook.

The Company's funding policy is to make annual contributions to the Plan in amounts that are estimated to remain a constant \$7.50 each year for U.S. Territorial employees, and that are estimated to remain a constant percentage of employee's compensation each year for Non-U.S. Territorial employees, such that all employee benefits will be fully provided for by the time they retire.

The benefits of non-US territorial employees were frozen on December 31, 2005.

Notes to Financial Statements

March 31, 2011 and 2010

Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements are prepared on the accrual basis of accounting.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and changes therein and the actuarial present value of accumulated plan benefits at the date of the financial statements. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Fair Value footnote for discussion of fair value measurements.

Net appreciation in Fair Value of investments is reflected in the Statements of Changes in Net Assets Available for Benefits and includes realized gains and losses on investments bought and sold and the change in appreciation from one period to the next. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

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Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefits (see Plan Benefits) are those estimated future periodic payments, including lump-sum distributions that are attributable under the Plan's provisions to services rendered by the employees to the valuation date. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries (b) beneficiaries of employees who have died and (c) present employee or their beneficiaries. Benefits for retired or terminated employees or their beneficiaries are based on employees' years of service. The accumulated plan benefits for active employees are based on their average compensation during the three years ending on the date as of which the benefit information is presented (the valuation date). Benefits payable under all circumstances – retirement, death, disability and termination of employment are included, to the extent they are deemed attributable to employee service rendered at the valuation date.

ROCKY BRANDS, INC. RETIREMENT PLAN

Notes to Financial Statements

March 31, 2011 and 2010

Summary of Significant Accounting Policies (continued)

The actuarial present value of accumulated plan benefits is determined by an independent actuary from CBIZ Benefits and Insurance Services, Inc. The present value that results is from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts of interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment. The significant actuarial assumptions used in the valuations of March 31, 2011 and 2010 were (a) life expectancy of participants (2011 and 2010 Combined Mortality for Healthy Lives Disability), (b) retirement age assumptions (the assumed average retirement age was 65) and (c) investment return 13.1% and 30.8%, respectively

Payment of Benefits

Benefit payments to participants are recorded upon distribution.

Administrative Expenses

Trustee fees incurred by the Plan are recorded as incurred.

Plan Benefits

The actuarial present value of accumulated plan benefits is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits earned by the participants to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment.

The actuarial present value of accumulated plan benefits as of the end of each plan year is as follows:

	<u>2011</u>	<u>2010</u>
Vested Benefits:		
Participants currently receiving payments	\$ 4,454,927	\$ 4,130,055
Other participants	5,152,875	5,554,103
Total vested benefits	<u>9,607,802</u>	<u>9,684,158</u>
Non-vested benefits	1,399,438	358,500
Total accumulated plan benefits	<u>\$ 11,007,240</u>	<u>\$ 10,042,658</u>

ROCKY BRANDS, INC. RETIREMENT PLAN

Notes to Financial Statements

March 31, 2011 and 2010

Plan Benefits (continued)

The changes in actuarial present value of accumulated plan benefits for each plan year are as follows:

	<u>2011</u>	<u>2010</u>
Present value at the beginning of the year	\$ 10,042,658	\$ 9,284,178
Increase (decrease) attributable to:		
Change in assumption(s)	569,419	331,167
Benefits accumulated	186,382	209,161
Decrease in discount period	597,783	603,670
Benefits paid	<u>(389,002)</u>	<u>(385,518)</u>
Total present value	<u>\$ 11,007,240</u>	<u>\$ 10,042,658</u>

Significant assumptions underlying the actuarial computations are as follows:

Actuarial cost method	Entry age normal
Assumed rate of return on investments	13.1%
Mortality	2011 Combined Mortality for Healthy Lives Table
Retirement	Normal retirement age under the Plan

During 2011, the actuary changed the Mortality table to the 2011 Combined Healthy Lives Mortality Table and assumed rate of return from 30.8% to 13.1%

Funding Policy

The Company's funding policy is to fully fund the plan for all accrued benefits. The Company did not make a contribution in the year ended March 31, 2010. The Company made \$846,690 in contributions to the Plan during 2011. The Plan has recorded a contribution receivable of \$4,876,440 to fund the accrued benefit payments due to the termination of the plan. An additional \$30,693 of accrued benefits was earned by participants between April 1, 2011 and August 31, 2011 and contributed by the Company. The Company made the contribution to the Plan as of December 31, 2011.

Notes to Financial Statements

March 31, 2011 and 2010

Fair Value Measurements

ASC 820 establishes a framework for measuring Fair Value which provides the Fair Value hierarchy that prioritizes the inputs to valuation techniques used to measure Fair Value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under ASC are described below:

- | | |
|---------|---|
| Level 1 | Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access. |
| Level 2 | <p>Inputs to the valuation methodology include:</p> <ul style="list-style-type: none">• Quoted prices for similar assets or liabilities in active markets;• Quoted prices for identical or similar assets or liabilities in inactive markets;• Inputs other than quoted prices that are observable for the asset or liability;• Inputs that are derived principally from or corroborated by observable market data by correlation or other means. <p>If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.</p> |
| Level 3 | Inputs to the valuation methodology are unobservable and significant to the fair value measurement. |

The asset's or liability's Fair Value measurement level within the Fair Value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques should maximize the use of observable inputs and minimize the use of unobservable inputs.

ROCKY BRANDS, INC. RETIREMENT PLAN

Notes to Financial Statements

March 31, 2011 and 2010

Fair Value Measurements (continued)

Following is a description of the valuation methodologies used for assets measured at Fair Value. There have been no changes in the methodologies used at March 31, 2010.

Money market and equities: Valued at the quoted stock price per share held by the Plan at year-end.

U.S Government Obligations: Valued at the closing price reported on the active market on which the individual security is traded.

Corporate Bond Obligations: Valued at the closing price reported on the active market on which the individual security is traded.

The methods described above may produce a Fair Value calculation that may not be indicative of net realizable value or reflective of future Fair Values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the Fair Value of certain financial instruments could result in a different Fair Value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets as Fair Value at March 31, 2011:

	Level 1	Level 2	Level 3	Total
Equities	\$ 6,083,413	\$ -	\$ -	\$ 6,083,413
Corporate Bond	414,305	-	-	414,305
US Gov't Bond	1,203,784	-	-	1,203,784
Money Market	941,665	-	-	941,665
Total Investments	<u>\$ 8,643,167</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,643,167</u>
Interest and Dividends	<u>\$ 116,299</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 116,299</u>

ROCKY BRANDS, INC. RETIREMENT PLAN

Notes to Financial Statements

March 31, 2011 and 2010

Fair Value Measurements (continued)

The following table sets forth by level, within the fair value hierarchy, the Plan's assets as Fair Value at March 31, 2010:

	Level 1	Level 2	Level 3	Total
Equities	\$ 5,042,923	\$ -	\$ -	\$ 5,042,923
Corporate Bond	403,443	-	-	403,443
US Gov't Bond	1,460,829	-	-	1,460,829
Money Market	209,966	-	-	209,966
Total Investments	<u>\$ 7,117,161</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,117,161</u>
Interest and Dividends	<u>\$ 94,150</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 94,150</u>

Investments

The Plan's investments are held by a Trustee. The following information included in the accompanying financial statements and supplemental schedule was obtained from data that has been prepared and certified to as complete and accurate by the Trustee. During 2011 and 2010, the Plan's investments appreciated or depreciated in Fair Value as follows:

	Gains/Losses Net Appreciation (Depreciation) In Fair Value During Year	Fair Value at End of Year
Year ended March 31, 2011		
Corporate bonds	\$ 4,460	\$ 414,305
U.S government bonds	7,892	1,203,784
Common stocks	1,100,052	6,083,413
Money market funds	-	941,665
Total	<u>\$ 1,112,404</u>	<u>\$ 8,643,167</u>
Year ended March 31, 2010		
Corporate bonds	\$ (208)	\$ 403,443
U.S government bonds	2,833	1,460,829
Common stocks	1,715,266	5,042,923
Money market funds	-	209,966
Total	<u>\$ 1,717,891</u>	<u>\$ 7,117,161</u>

ROCKY BRANDS, INC. RETIREMENT PLAN

Notes to Financial Statements

March 31, 2011 and 2010

Investments (continued)

Individual investments that represent 5% or more of the Plan's net assets are as follows:

		<u>2011</u>	<u>2010</u>
Money market funds	Huntington Money Market Fund II	\$ 941,665	\$ *
Common stocks	Rocky Brands, Inc	\$ 960,348	\$ 680,679

* These investments did not represent more than 5% or more of the Plan's net assets as of March 31, 2010.

Transactions with Related Parties and Parties-in-Interest

In March 2011, the Plan sold 8,500 shares of Company stock for proceeds of \$135,759 and a gain of \$54,699. The Plan held 62,850 and 71,350 shares of common stock issued by the Plan Sponsor as of March 31, 2011 and 2010, respectively. No additional shares were purchased during the years ending March 31, 2011 and 2010.

Plan Termination and Subsequent Events

The Company made a decision on July 15, 2011 to terminate the Plan effective September 1, 2011. All benefit accruals ceased effective August 31, 2011. Each participant's accrued benefit became fully vested and non-forfeitable as of September 1, 2011. Participants are able to request a direct lump sum payment or the Plan would purchase a non-transferable annuity contract. The Plan has recorded a receivable in the amount of \$4,876,440 for the benefits accrued through March 31, 2011. An additional \$30,693 of benefit was accrued from April 1, 2011 through August 31, 2011. As of December 31, 2011, the Plan's assets were fully liquidated and the Plan received the \$4,907,133 of contributions from the Company and paid out the accrued benefits to the participants. Additionally, as of January 6, 2012, the Plan has liquidated all investments. The Plan evaluated subsequent events through the date the financial statements were issued which was January 13, 2012.

Income Tax Status

The Internal Revenue Service has determined and informed the Company by a letter dated October 10, 2007, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). The Plan has been amended since receiving the determination letter. The Plan has also filed a request for determination letter to terminate the Plan. The Plan administrator believes that the Plan is being terminated in compliance with the applicable requirements of the IRC and a provision for income taxes is not necessary.

ROCKY BRANDS, INC. RETIREMENT PLAN

Notes to Financial Statements

March 31, 2011 and 2010

Risk and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the Statements of Net Assets Available for Benefits.

Plan contributions are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

SUPPLEMENTAL INFORMATION

ROCKY BRANDS, INC. RETIREMENT PLAN
EIN#31-1364046 PLAN: #002

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

March 31, 2011

(a)	Identity of Issue, Borrower, (b) Lessor or Similar Party	Description (c) Investment	(d) Cost	Current (e) Value
	Common Stocks:			
	AMB Property Corp	Common Stock	2,516	4,604
	AT&T	Common Stock	17,841	15,274
	Abbott Laboratories	Common Stock	16,709	17,413
	Acacia Research Corp	Common Stock	12,368	33,354
	Aecom Technology Corp	Common Stock	15,221	15,723
	Affiliated Managers Group	Common Stock	10,600	24,390
	Agilent Technologies Inc	Common Stock	26,324	32,689
	Air Prods & Chems Inc w/1RT/SH	Common Stock	24,415	35,982
	Allergan Inc w/1 RT/SH	Common Stock	22,802	22,584
	Alliance Data Systems Corp	Common Stock	9,136	19,497
	Alliant Techsystem Inc w/1 RT/SH	Common Stock	8,861	8,975
	Amazon.com Inc	Common Stock	17,758	41,790
	American Campus Communities	Common Stock	6,510	7,128
	American Electric Power	Common Stock	10,200	13,634
	American Express	Common Stock	42,272	49,765
	American Superconductor Corp	Common Stock	11,095	9,749
	American Water Works Co Inc	Common Stock	19,206	25,722
	Ameriprise Financial Inc.	Common Stock	8,039	7,940
	Amgen Inc	Common Stock	15,886	16,035
	Apache Corp	Common Stock	52,532	59,307
	Apple Inc	Common Stock	40,078	83,990
	Atheros Communications	Common Stock	1,574	2,322
	Avalonbay Communities Inc	Common Stock	6,394	14,650
	Bank of America Corp	Common Stock	24,338	26,647
	Bank of the Ozark	Common Stock	1,377	1,705
	Bed Bath & Beyond Inc	Common Stock	20,205	29,010
	Big Lots Inc.	Common Stock	17,857	25,754
	Blackboard Inc	Common Stock	2,417	2,464
	Blackstone Group LP	Common Stock	18,883	32,345
	Boeing Co	Common Stock	8,318	10,350
	Boston Properties Inc w/1 RT P/S	Common Stock	4,300	8,821
	Bristol-Myers Squibb Co	Common Stock	16,412	16,202
	Broadcom Corp CL A	Common Stock	20,041	36,466
	Brocade Communications Sys	Common Stock	23,506	25,984
	CVS Caremark Corp	Common Stock	14,444	15,547
	California Pizza Kitchen Inc	Common Stock	2,076	2,313

ROCKY BRANDS, INC. RETIREMENT PLAN
EIN#31-1364046 PLAN: #002

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

March 31, 2011

(a)	Identity of Issue, Borrower, (b) Lessor or Similar Party	Description (c) Investment	(d) Cost	Current (e) Value
	Carnival Corp	Common Stock	25,702	29,959
	Caterpillar Inc	Common Stock	31,129	53,448
	Chico's Fas Inc	Common Stock	12,418	12,671
	Cinemark Holdings Inc	Common Stock	2,756	3,096
	Citigroup Inc	Common Stock	24,089	22,250
	Cobiz Financial Inc	Common Stock	3,847	4,476
	Coca Cola Co	Common Stock	35,281	40,600
	Cognizant Tech Solutions Crp	Common Stock	25,080	40,537
	Compass Minerals Intl	Common Stock	18,704	26,750
	Conocophillips	Common Stock	68,724	83,054
	Crocs Inc	Common Stock	2,309	3,390
	Cypress Semiconductor Corp	Common Stock	3,405	4,690
	DST Systems Inc Del W/1 Right	Common Stock	21,208	26,991
	Dawson Geophysical Co	Common Stock	8,456	9,259
	Deere & Co w/1 RT/SH	Common Stock	29,551	45,926
	Diamond Foods Inc	Common Stock	4,221	7,142
	Digitalglobe Inc	Common Stock	6,133	5,522
	Walt Disney Co	Common Stock	10,707	12,668
	Discover Financial Svs	Common Stock	24,527	35,963
	Directv Class A	Common Stock	7,260	7,582
	Donnelley (R.R.) & Sons Co	Common Stock	20,808	19,885
	Entertainment Properties TR	Common Stock	19,736	25,611
	Equifax Inc	Common Stock	20,391	25,758
	Eresearch Technologu Inc	Common Stock	5,509	4,753
	Exxon Mobil Corp	Common Stock	27,875	32,811
	FMC Corp	Common Stock	16,116	24,715
	FNB Corp	Common Stock	2,218	3,299
	Fedex Corp	Common Stock	21,820	23,294
	Ferro Corp	Common Stock	2,341	3,799
	Fifth Third Bancorp	Common Stock	37,981	41,280
	Fifth Street Finance Corp	Common Stock	1,089	1,175
	Finisar Corporation	Common Stock	5,260	12,177
	First Cash Financial Service	Common Stock	7,405	11,348
	Ford Motor Co	Common Stock	24,214	44,969
	Forest Oil Corp	Common Stock	23,349	28,335
	Freeport-McMoran C & G w/1 RT/SH	Common Stock	12,443	22,776
	Gannett Inc	Common Stock	20,630	21,139

ROCKY BRANDS, INC. RETIREMENT PLAN
EIN#31-1364046 PLAN: #002

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

March 31, 2011

(a)	Identity of Issue, Borrower, (b) Lessor or Similar Party	Description (c) Investment	(d) Cost	Current (e) Value
	Gardner Denver Inc	Common Stock	13,581	22,707
	General Dynamics Corp	Common Stock	19,497	20,442
	General Electric Co	Common Stock	23,197	29,393
	Georesources Inc	Common Stock	2,889	3,502
	Geoeye Inc	Common Stock	2,587	2,495
	Filead Scientces Inc w/1 RT/SH	Common Stock	7,693	7,730
	Goldman Sachs Group Inc	Common Stock	36,803	42,822
	Google Inc - CL A	Common Stock	35,658	38,726
	Guess Inc	Common Stock	16,076	17,550
	Hain Celestial Group Inc	Common Stock	4,572	5,714
	Halliburton Co	Common Stock	8,606	9,519
	Hanesbrands Inc	Common Stock	14,957	15,981
	Hang Lung Properties LTD	Common Stock	7,842	9,237
	Heartland Payment Systems Inc	Common Stock	3,495	3,786
	Hercules Technology Growth	Common Stock	4,087	4,488
	Hersha Hospitality Trust	Common Stock	18,971	19,644
	Hershey Co w/1 RT/SH	Common Stock	4,409	4,402
	Hess Corp	Common Stock	19,613	28,716
	Hewlett Packard Co	Common Stock	14,497	14,340
	Home Depot Inc	Common Stock	23,452	33,206
	Hornbeck Offshore Services	Common Stock	5,624	6,263
	Hughes Communications Inc	Common Stock	1,476	4,774
	Humana Inc	Common Stock	9,032	9,931
	Hunt Jb Trans Svcs	Common Stock	12,117	21,938
	Illinois Tool Works	Common Stock	18,372	18,372
	Illumina Inc	Common Stock	14,133	21,091
	Imax Corp F	Common Stock	3,224	3,262
	Impax Laboratories Inc	Common Stock	6,605	7,686
	Ingram Micro Inc CL A COM	Common Stock	20,952	26,750
	Interap Network Services	Common Stock	6,408	6,097
	IBM Corp	Common Stock	10,855	16,796
	Internet Cap	Common Stock	6,779	11,616
	Itron Inc Com	Common Stock	25,997	26,075
	JDS Uniphase Corp	Common Stock	13,669	11,629
	JP Morgan Chase & Co	Common Stock	33,413	38,816
	Johnson & Johnson	Common Stock	28,643	27,848
	Juniper Networks Inc	Common Stock	16,816	21,713

ROCKY BRANDS, INC. RETIREMENT PLAN
EIN#31-1364046 PLAN: #002

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

March 31, 2011

(a)	Identity of Issue, Borrower, (b) Lessor or Similar Party	Description (c) Investment	(d) Cost	Current (e) Value
	Keycorp New W/1 RT/SH	Common Stock	14,366	15,735
	Kforce Inc	Common Stock	9,050	12,627
	Kohls Corp	Common Stock	19,613	19,943
	Komatsu Ltd	Common Stock	12,560	19,224
	Kraft Foods Inc	Common Stock	8,814	9,439
	Las Vegas Sands Corp	Common Stock	19,352	38,167
	Estee Lauder Co Inc	Common Stock	11,303	31,221
	Lincoln National Corp	Common Stock	14,324	16,672
	Logmein Inc	Common Stock	6,207	6,619
	Memc Electr Matls Inc Com	Common Stock	27,912	25,389
	Mastec Inc	Common Stock	934	1,602
	Mastercard Inc CL A	Common Stock	25,543	30,458
	McDonalds Corp	Common Stock	18,640	25,490
	Mediamind Technologies Inc	Common Stock	719	911
	Medley Capital Corp	Common Stock	5,026	5,140
	Merck & Co Inc	Common Stock	23,116	23,371
	Metlife Inc	Common Stock	22,395	24,825
	Microsoft Corp	Common Stock	13,020	15,234
	Micron Technology	Common Stock	17,137	23,743
	Middleby Corp	Common Stock	3,716	6,425
	Mips Technology Inc	Common Stock	6,917	5,025
	Monro Muffler Brake Inc	Common Stock	3,061	3,001
	Monsanto Co	Common Stock	23,536	26,086
	National Oilwell Varco Inc	Common Stock	23,009	31,391
	Natural Gas Services Group	Common Stock	4,536	3,481
	Natus Medical Inc	Common Stock	2,931	3,142
	Netapp Inc	Common Stock	18,863	27,059
	Northern Oil & Gas Inc	Common Stock	6,651	6,435
	Northrop Grumman Corp w/1 RT/SH	Common Stock	6,857	6,208
	OSI Systems Inc	Common Stock	5,449	7,243
	Occidental Petroleum Corp	Common Stock	29,170	38,452
	Old Dominion Freight Line	Common Stock	5,956	6,878
	Oracle Corporation Formerly Oracle Sys Corp	Common Stock	52,539	62,418
	Optiosepress	Common Stock	3,437	3,892
	PG & E Corp	Common Stock	12,830	13,563
	PNC Financial Services	Common Stock	19,988	30,865
	Par Pharmaceutical Cos Inc	Common Stock	6,180	6,185

ROCKY BRANDS, INC. RETIREMENT PLAN
EIN#31-1364046 PLAN: #002

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

March 31, 2011

(a)	Identity of Issue, Borrower, (b) Lessor or Similar Party	Description (c) Investment	(d) Cost	Current (e) Value
	Peabody Energy Corp W/1 RT/SH	Common Stock	20,591	32,886
	Pepsico Inc	Common Stock	12,210	16,360
	Petrohawk Energy Corp	Common Stock	20,929	27,338
	Pfizer Inc	Common Stock	47,815	55,487
	Pinnacle Financial Partners	Common Stock	4,495	5,806
	Plains Exploration & Product	Common Stock	25,543	26,738
	Polaris Ind Inc w/1 RT/SH	Common Stock	3,787	4,612
	Priceline.com Inc	Common Stock	8,211	47,605
	Prudential Financial Inc	Common Stock	20,063	30,790
	Qualcomm Inc w 1 RT P/S EXP 9/25/15	Common Stock	36,844	43,480
	Regal Entertainment Group - A	Common Stock	9,352	9,086
	Reliance Steel & Alum	Common Stock	18,831	26,521
	Research in Motion	Common Stock	9,421	8,877
	Reynolds American Inc	Common Stock	12,943	14,105
	Riverbed Technology Inc	Common Stock	15,207	20,595
	Rockwell Automation, Inc	Common Stock	7,526	7,761
*	Rocky Brands Inc Common Stock	Common Stock	380,064	960,348
	SBA Communications Corp W/1 RT/SH	Common Stock	19,079	24,760
	St Jude Medical Inc	Common Stock	4,387	4,408
	Salesforce.com Inc	Common Stock	19,760	19,369
	Sandisk Corp	Common Stock	19,377	19,035
	Sandridge Energy	Common Stock	11,380	27,136
	Henry Schein Inc	Common Stock	7,571	9,613
	Schlumberger LTD	Common Stock	14,541	21,170
	Sempra Energy	Common Stock	13,368	14,445
	Simon Property Group Inc	Common Stock	10,118	10,073
	Sonoco Products	Common Stock	3,463	5,253
	Southern Copper Corp	Common Stock	4,499	7,007
	Starbucks Corp	Common Stock	20,970	40,386
	Starwood Hotels & Resorts	Common Stock	13,897	14,879
	Stillwater Mining Company	Common Stock	8,005	8,828
	Stryker Corp	Common Stock	15,297	14,410
	Sucessfactors Inc	Common Stock	979	2,345
	Summit Hotel Properties Inc	Common Stock	228	229
	Suntrust Banks Inc	Common Stock	21,033	24,456
	TJX Companies Inc	Common Stock	9,699	16,560
	Targacept Inc	Common Stock	2,235	2,872

ROCKY BRANDS, INC. RETIREMENT PLAN
 EIN#31-1364046 PLAN: #002

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

March 31, 2011

(a)	Identity of Issue, Borrower, (b) Lessor or Similar Party	Description (c) Investment	(d) Cost	Current (e) Value
	Target Corp	Common Stock	18,841	20,604
	Teleflex Inc W/1 RT/SH	Common Stock	24,190	25,453
	Thermo Fisher Scientific Inc	Common Stock	49,388	61,494
	Tidewater Inc	Common Stock	17,414	18,613
	Time Warner Inc	Common Stock	30	36
	Time Warner Cable Inc New	Common Stock	7,954	7,990
	Tower Bancorp Inc	Common Stock	4,353	3,878
	U S Bancorp	Common Stock	16,177	19,955
	Union Pacific Corp	Common Stock	15,262	24,288
	United National Foods Inc	Common Stock	6,945	13,715
	United States Steel Corp	Common Stock	7,492	10,734
	United Technologies Corp	Common Stock	20,354	23,871
	UnitedHealth Group Inc	Common Stock	12,689	19,978
	Universal Health Services CL B	Common Stock	4,387	9,635
	Verizon Communications	Common Stock	13,631	16,302
	Verint Systems Inc	Common Stock	4,709	8,100
	Visa Inc Class A Shares	Common Stock	26,129	27,828
	Wal-Mart Stores Inc	Common Stock	25,888	25,244
	Waste Connections Inc	Common Stock	5,957	7,831
	Waste Management Inc	Common Stock	6,351	8,364
	Watson Phartmaceuticals Inc	Common Stock	27,675	29,909
	Wells Fargo & Co	Common Stock	59,219	75,184
	WestAmerica Bancorporation	Common Stock	5,631	5,497
	Whole Foods Market Inc	Common Stock	15,342	43,296
	XILINX	Common Stock	16,690	27,552
	Zions Bancorp	Common Stock	21,617	22,945
	Bunge Limited	Common Stock	17,816	26,328
	Willis Group Holdings PLC	Common Stock	16,883	26,113
	Syneron Medical Ltd	Common Stock	4,966	6,103
	Core Laboratories N.V.	Common Stock	17,626	29,731
	America Movil SAB DE CV ADR Series L	Common Stock	12,243	13,014
	Arcelormittal NY Registered	Common Stock	10,029	10,194
	Arm Holdings PLC SPONS ADR	Common Stock	1,828	7,972
	Assa Ablouy AB UNSP ADR	Common Stock	14,329	14,918
	BASF SE - SPON ADR	Common Stock	7,044	7,374
	BG Group PLC - Spon ADR	Common Stock	12,186	17,528
	BNP Paribas	Common Stock	21,666	20,361

ROCKY BRANDS, INC. RETIREMENT PLAN
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Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

March 31, 2011

(a)	Identity of Issue, Borrower, (b) Lessor or Similar Party	Description (c) Investment	(d) Cost	Current (e) Value
	BHP Billiton LTD - Spon ADR Common Stock	Common Stock	10,168	20,710
	CNOOC LTD - ADR	Common Stock	10,346	17,966
	Canadian NATL Railway COM	Common Stock	13,286	18,818
	Canadian Natural Resources	Common Stock	6,916	11,023
	Canon Inc SP ADR	Common Stock	14,911	16,126
	China Merchants Unspn ADR	Common Stock	11,011	13,599
	Coca Cola Hellenic BTLNG ADR	Common Stock	9,134	6,534
	Credit Suisse Group Spon ADR	Common Stock	14,164	12,987
	Dassault Systems ADR	Common Stock	7,254	9,697
	Embraer SA	Common Stock	12,755	13,581
	Ericsson L M Tel Co - SP ADR	Common Stock	5,268	7,266
	Fanuc LTD Unsp ADR	Common Stock	7,537	14,536
	Flsmidth & Co A/S Unspn ADR	Common Stock	5,530	8,335
	Fresenius Medical Care AG	Common Stock	11,973	18,973
	Gazprom OAO SPON ADR	Common Stock	19,652	14,048
	HSBC HLDGS PLC SPONS ADR NEW	Common Stock	9,691	9,479
	Hennes & Mauritz AB - UNSP ADR	Common Stock	14,728	17,543
	Hong Kong Exchanges UNSPON ADR	Common Stock	5,802	12,102
	Ind & Comm BK of China Unspn ADR	Common Stock	12,436	14,983
	Itau Unibanco Holding SA ADR	Common Stock	8,829	12,193
	Kingfisher PLC - Spons ADR	Common Stock	11,613	15,474
	LVMH MOET Hennessy Lou - ADR	Common Stock	11,088	22,414
	Lululemon Athletica Inc	Common Stock	2,325	4,987
	Man Group PLC	Common Stock	7,146	7,663
	Mitsubishi UFJ FINL GRP ADR	Common Stock	14,482	11,307
	National Grid PCC -SP ADR	Common Stock	7,813	8,647
	Nestle SA Sponsored ADR Repstg Reg SH	Common Stock	37,326	44,429
	New Oriental Educatin SP ADR	Common Stock	8,712	11,308
	Nice Systems LTD	Common Stock	12,886	15,478
	Novartis AG ADR	Common Stock	16,840	18,153
	Novo Nordisk ADR	Common Stock	10,379	19,536
	Potosh Corp of Saskatchewan	Common Stock	25,219	36,419
	Publicis Groupe ADR	Common Stock	9,726	12,440
	Reckitt Benckiser Group ADR	Common Stock	17,604	19,144
	SXC Health Solutions Corp	Common Stock	10,841	16,659
	Sabmiller PLC	Common Stock	7,217	10,297
	SAP AG - Sponsored ADR	Common Stock	18,650	24,544

ROCKY BRANDS, INC. RETIREMENT PLAN
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Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

March 31, 2011

(a)	Identity of Issue, Borrower, (b) Lessor or Similar Party	Description (c) Investment	(d) Cost	Current (e) Value
	Siemens AG ADR	Common Stock	11,800	13,459
	Telefonica SA Spon ADR	Common Stock	17,393	17,326
	Tencent Holdings LTD UNS ADR	Common Stock	9,560	11,207
	Tesco PLC Sponsored ADR	Common Stock	20,290	18,670
	Teva Pharmaceutical - Sp ADR	Common Stock	23,057	23,680
	Toyota Mtr LTD Com 2 ADR	Common Stock	20,691	18,779
	Turkiye Garanti Bankasi ADR	Common Stock	12,093	12,605
	Vestas Wind Systems - Unsp ADR	Common Stock	17,084	9,444
	Vodafone Group PLC	Common Stock	13,885	14,059
	Volkswagen AG	Common Stock	6,488	9,725
	Walmart De Mexico - Spon ADR V	Common Stock	7,658	13,432
	Accenture PLC CL A	Common Stock	31,070	35,181
	Covidien PLC	Common Stock	11,289	14,803
	Fabrinet	Common Stock	3,202	2,238
	Ingersoll - Rand PLC	Common Stock	6,089	8,551
	Warner Chilcott PLC Class-A	Common Stock	26,032	25,446
	Weatherford Intl LTD	Common Stock	13,983	19,775
	Logitech International-Reg	Common Stock	16,313	13,054
	Tornier NV	Common Stock	1,177	1,184
	Total Common Stocks		4,384,515	6,083,413
	Cash Management Funds			
*	Huntington Money Market Fund II	Money Market	941,665	941,665
	U.S. Government Bonds			
	FFCB 1.75% 2/21/2013	Bond	200,144	203,120
	FHLB 1.9% 12/29/2015	Bond	176,243	171,684
	FHLB 3.125% 12/13/2013	Bond	205,596	209,146
	FHLB 1.75% 12/14/2012	Bond	99,563	101,634
	FHLB 2.75% 12/12/2014	Bond	248,008	258,230
	FHLB 2.875% 6/12/2015	Bond	252,038	259,970
	Total U.S Government Bonds		1,181,591	1,203,784
	Corporate Bonds			
	Morgan Stanley 4.75% 4/1/2014	Bond	102,750	104,202
	PNC Funding Corp 3.625% 2/8/2015	Bond	99,643	103,385
	Praxair Inc. 2.125% 6/14/2013	Bond	100,222	102,420

ROCKY BRANDS, INC. RETIREMENT PLAN
EIN#31-1364046 PLAN: #002

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

March 31, 2011

(a)	Identity of Issue, Borrower,	Description	(d) Cost	Current
	(b) Lessor or Similar Party	(c) Investment		(e) Value
	Sherwin-Williams Co 3.125% 12/15/2014	Bond	101,036	104,298
	Total Corporate Bonds Government Bonds		403,651	414,305
	Total Investments		6,911,421	8,643,167

*Denotes a party-in-interest investment

ROCKY BRANDS, INC. RETIREMENT PLAN
EIN#31-1364046 PLAN: #002

Schedule H, Line 4i
Transactions or Series of Transactions in Excess of 5% of the Current Value of Plan Assets

Year Ended March 31, 2011

(b) Description	Purchase (c) Price	Selling (d) Price	Cost of (g) Asset	Current Value of Asset on Transaction (h) Date	Net Gain (i) (Loss)
Category (iii) - A series of transactions in excess of 5% of plan assets					

Category (iii) - A single transactions in excess of 5% of plan assets

There were no category (i), (ii), (iii) or (iv) reportable transactions during the year ended March 31, 2011

*Denotes a party-in-interest investment.