

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), 6057(b), and 6058(a) of the Internal Revenue Code (the Code). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 <div style="text-align: center; font-size: 1.5em; font-weight: bold;">2011</div> This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2011 or fiscal plan year beginning <u>01/01/2011</u> and ending <u>12/31/2011</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>LETOURNEAU TECHNOLOGIES, INC. RETIREMENT INCOME 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>007</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>02/11/1994</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>007</u>	1c Effective date of plan <u>02/11/1994</u>	
1b Three-digit plan number (PN) ▶	<u>007</u>				
1c Effective date of plan <u>02/11/1994</u>					
2a Plan sponsor's name and address, including room or suite number (Employer, if for single-employer plan) <u>ROWAN COMPANIES, INC.</u> <u>2800 POST OAK BLVD., SUITE 5450</u> <u>HOUSTON, TX 77056</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>75-0759420</u></td> </tr> <tr> <td>2c Sponsor's telephone number <u>713-621-7800</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>211110</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>75-0759420</u>	2c Sponsor's telephone number <u>713-621-7800</u>	2d Business code (see instructions) <u>211110</u>	
2b Employer Identification Number (EIN) <u>75-0759420</u>					
2c Sponsor's telephone number <u>713-621-7800</u>					
2d Business code (see instructions) <u>211110</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.	10/15/2012	GARY L. MARSH
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/15/2012	JOHN KEVIN BARTOL
	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 (2011)
v.012611

3a Plan administrator's name and address (if same as plan sponsor, enter "Same") ROWAN COMPANIES, INC. 2800 POST OAK BLVD., SUITE 5450 HOUSTON, TX 77056	3b Administrator's EIN 74-1981236 3c Administrator's telephone number 713-621-7800
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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	2679
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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	0
b Retired or separated participants receiving benefits.....	6b	481
c Other retired or separated participants entitled to future benefits.....	6c	1720
d Subtotal. Add lines 6a , 6b , and 6c	6d	2201
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	96
f Total. Add lines 6d and 6e	6f	2297
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	364

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 1I 3H

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

SCHEDULE A (Form 5500) Department of the Treasury Internal Revenue Service <hr/> Department of Labor Employee Benefits Security Administration <hr/> Pension Benefit Guaranty Corporation	Insurance 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. ► Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).	OMB No. 1210-0110
		2011
		This Form is Open to Public Inspection

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011	
A Name of plan LETOURNEAU TECHNOLOGIES, INC. RETIREMENT INCOME PLAN	B Three-digit plan number (PN) ► 007
C Plan sponsor's name as shown on line 2a of Form 5500 ROWAN COMPANIES, INC.	D Employer Identification Number (EIN) 75-0759420

Part I	Information Concerning Insurance Contract Coverage, Fees, and Commissions Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.
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1 Coverage Information:

(a) Name of insurance carrier AXA EQUITABLE LIFE INSURANCE COMPANY

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
13-5570651	62944	6723		01/01/2011	12/31/2011

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in item 3 the agents, brokers, and other persons in descending order of the amount paid.

(a) Total amount of commissions paid	(b) Total amount of fees paid

3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).
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(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

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	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4 Current value of plan's interest under this contract in the general account at year end **4** 240540**5** Current value of plan's interest under this contract in separate accounts at year end **5****6** Contracts With Allocated Funds:**a** State the basis of premium rates ▶**b** Premiums paid to carrier **6b****c** Premiums due but unpaid at the end of the year **6c****d** If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount. **6d**

Specify nature of costs ▶

e Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity(3) ☐ other (specify) ▶**f** If contract purchased, in whole or in part, to distribute benefits from a terminating plan check here ▶ ☐**7** Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)**a** Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee
(3) ☐ guaranteed investment (4) ☒ other ▶ GROUP ANNUITY CONTRACT**b** Balance at the end of the previous year **7b** 258703**c** Additions: (1) Contributions deposited during the year **7c(1)**
(2) Dividends and credits **7c(2)** 5570
(3) Interest credited during the year **7c(3)**
(4) Transferred from separate account **7c(4)**
(5) Other (specify below) **7c(5)**(6) Total additions **7c(6)** 5570**d** Total of balance and additions (add **b** and **c(6)**). **7d** 264273**e** Deductions:
(1) Disbursed from fund to pay benefits or purchase annuities during year **7e(1)** 19440
(2) Administration charge made by carrier **7e(2)** 4293
(3) Transferred to separate account **7e(3)**
(4) Other (specify below) **7e(4)**(5) Total deductions **7e(5)** 23733**f** Balance at the end of the current year (subtract **e(5)** from **d**) **7f** 240540

Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organizations(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

8 Benefit and contract type (check all applicable boxes)

- a** ☐ Health (other than dental or vision)
 b ☐ Dental
 c ☐ Vision
 d ☐ Life insurance
e ☐ Temporary disability (accident and sickness)
 f ☐ Long-term disability
 g ☐ Supplemental unemployment
 h ☐ Prescription drug
i ☐ Stop loss (large deductible)
 j ☐ HMO contract
 k ☐ PPO contract
 l ☐ Indemnity contract
m ☐ Other (specify) ▶

9 Experience-rated contracts:

a Premiums: (1) Amount received.....	9a(1)		
(2) Increase (decrease) in amount due but unpaid.....	9a(2)		
(3) Increase (decrease) in unearned premium reserve.....	9a(3)		
(4) Earned ((1) + (2) - (3)).....		9a(4)	0
b Benefit charges (1) Claims paid.....	9b(1)		
(2) Increase (decrease) in claim reserves.....	9b(2)		
(3) Incurred claims (add (1) and (2)).....		9b(3)	0
(4) Claims charged.....		9b(4)	
c Remainder of premium: (1) Retention charges (on an accrual basis) --			
(A) Commissions.....	9c(1)(A)		
(B) Administrative service or other fees.....	9c(1)(B)		
(C) Other specific acquisition costs.....	9c(1)(C)		
(D) Other expenses.....	9c(1)(D)		
(E) Taxes.....	9c(1)(E)		
(F) Charges for risks or other contingencies.....	9c(1)(F)		
(G) Other retention charges.....	9c(1)(G)		
(H) Total retention.....		9c(1)(H)	0
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.).....		9c(2)	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement.....		9d(1)	
(2) Claim reserves.....		9d(2)	
(3) Other reserves.....		9d(3)	
e Dividends or retroactive rate refunds due. (Do not include amount entered in c(2).).....		9e	

10 Nonexperience-rated contracts:

a Total premiums or subscription charges paid to carrier.....	10a	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, item 2 above, report amount.	10b	

Specify nature of costs ▶

Part IV Provision of Information

11 Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☒ No

12 If the answer to line 11 is "Yes," specify the information not provided. ▶

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 2011 This Form is Open to Public Inspection
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For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

▶ **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>LETOURNEAU TECHNOLOGIES, INC. RETIREMENT INCOME PLAN</u>	B Three-digit plan number (PN) ▶ <u>007</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>ROWAN COMPANIES, INC.</u>	D Employer Identification Number (EIN) <u>75-0759420</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>01</u> Day <u>01</u> Year <u>2011</u>
2	Assets:
a	Market value 2a <u>61791026</u>
b	Actuarial value 2b <u>57718692</u>
3	Funding target/participant count breakdown:
	(1) Number of participants (2) Funding Target
a	For retired participants and beneficiaries receiving payment 3a <u>447</u> <u>23884105</u>
b	For terminated vested participants 3b <u>377</u> <u>6542022</u>
c	For active participants:
(1)	Non-vested benefits 3c(1) <u>2491111</u>
(2)	Vested benefits 3c(2) <u>35727133</u>
(3)	Total active 3c(3) <u>1864</u> <u>38218244</u>
d	Total 3d <u>2688</u> <u>68644371</u>
4	If the plan is in at-risk status, check the box and complete lines (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 in at-risk status for fewer than five consecutive years and disregarding loading factor 4b
5	Effective interest rate 5 <u>6.32 %</u>
6	Target normal cost 6 <u>344202</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>10/08/2012</u>
Signature of actuary	Date
<u>KEVIN BILLS</u>	<u>11-07029</u>
Type or print name of actuary	Most recent enrollment number
<u>MERCER</u>	<u>713-276-2100</u>
Firm name	Telephone number (including area code)
<u>1000 MAIN STREET, SUITE 2900</u> <u>HOUSTON, TX 77002-6336</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) 2011
v.012611

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 (line 13 from prior year)	0	0
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9 Amount remaining (line 7 minus line 8)	0	0
10 Interest on line 9 using prior year's actual return of <u>14.29</u> %		
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38 from prior year)		4360622
b Interest on (a) using prior year's effective rate of <u>6.69</u> % except as otherwise provided (see instructions)		291726
c Total available at beginning of current plan year to add to prefunding balance		4652348
d Portion of (c) to be added to prefunding balance		3944837
12 Other reductions in balances due to elections or deemed elections		1761409
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	2183428

Part III Funding percentages		
14 Funding target attainment percentage	14	80.90 %
15 Adjusted funding target attainment percentage	15	80.00 %
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	81.40 %
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	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
01/13/2012	662000	0			
03/30/2012	1190000	0			
04/13/2012	860000	0			
07/13/2012	862000	0			
			Totals ►	18(b)	3574000
				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 contributions 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	3304001
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: 3.78%	2nd segment: 6.31%	3rd segment: 6.57 %	☐ N/A, full yield curve used
b Applicable month (enter code)				21b 4
22 Weighted average retirement age				22 62
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 contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a).....	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum required contribution for current year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)	31a	344202	
b Excess assets, if applicable, but not greater than 31a	31b	0	
32 Amortization installments:			
a Net shortfall amortization installment	Outstanding Balance	Installment	
b Waiver amortization installment	13109107	2873025	
	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 (lines 31a - 31b + 32a + 32b - 33)...	34	3217227	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....	0	2183428	2183428
36 Additional cash requirement (line 34 minus line 35)	36	1033799	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	3304001	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	2270202	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	2183428	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years.....	40	0	

Part IX Pension funding relief under Pension Relief Act of 2010 (see instructions)

41 If a shortfall amortization base is being amortized pursuant to an alternative amortization schedule:			
a Schedule elected	☐ 2 plus 7 years ☐ 15 years		
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011		
42 Amount of acceleration adjustment	42		
43 Excess installment acceleration amount to be carried over to future plan years	43		

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
		2011
		This Form is Open to Public Inspection.

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan <u>LETOURNEAU TECHNOLOGIES, INC. RETIREMENT INCOME PLAN</u>	B Three-digit plan number (PN) ▶ <u>007</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>ROWAN COMPANIES, INC.</u>	D Employer Identification Number (EIN) <u>75-0759420</u>

Part I Service Provider Information (see instructions)

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

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

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)

MERCER

13-2834414

(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	NONE	194083	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

MCCONELL & JONES L.L.P

76-0488832

(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?
10	NONE	15464	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 ☐

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)

(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: KEVIN MINOR (TOWERS WATSON)	b EIN: 53-0181291
c Position: ENROLLED ACTUARY	
d Address: 1221 MCKINNEY SUITE 2600 HOUSTON, TX 77010-1006	e Telephone: 713-754-5453

Explanation: THERE WAS A REASSIGNMENT OF ACTUARY WITHIN THE FIRM PROVIDING ACTUARIAL SERVICES FOR THE PLAN WHEN THE FORMER ACTUARY CEASED TO BE AN EMPLOYEE OF THAT FIRM.

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 D (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small>	DFE/Participating Plan 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 2011 This Form is Open to Public Inspection.
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For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan <u>LETOURNEAU TECHNOLOGIES, INC. RETIREMENT INCOME PLAN</u>	B Three-digit plan number (PN)	<u>007</u>
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>ROWAN COMPANIES, INC.</u>	D Employer Identification Number (EIN) <u>75-0759420</u>	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
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a Name of MTIA, CCT, PSA, or 103-12 IE: MASTER TRUST UNDER VARIOUS EMPLOYEE

b Name of sponsor of entity listed in (a): ROWAN COMPANIES, INC.

c EIN-PN <u>75-0759420-005</u>	d Entity code <u>M</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>58695867</u>
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	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 <div style="border: 1px solid black; padding: 5px; font-size: 1.2em; font-weight: bold;">2011</div> This Form is Open to Public Inspection
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For calendar plan year 2011 or fiscal plan year beginning <u>01/01/2011</u> and ending <u>12/31/2011</u>		
A Name of plan <u>LETOURNEAU TECHNOLOGIES, INC. RETIREMENT INCOME PLAN</u>	B Three-digit plan number (PN) ►	<div style="border: 1px solid black; padding: 2px;">007</div>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>ROWAN COMPANIES, INC.</u>	D Employer Identification Number (EIN) <u>75-0759420</u>	

Part I	Asset and Liability Statement
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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)	6284000	3574000
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities.....	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(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)	55647533	58695867
(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)	258703	240540
(15) Other	1c(15)		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(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	62190236	62510407

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	62190236	62510407
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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)	3574000	
(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)		3574000
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(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)		0
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(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)		0
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0
(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)		-108802
(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		5570
d Total income. Add all income amounts in column (b) and enter total.....	2d		3470768

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	2803725	
(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)		2803725
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)	209547	
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	137325	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		346872
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		3150597

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		320171
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: MCCONNELL & JONES L.L.P.

(2) EIN: 76-0488832

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		2500000
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.			
4n			

- 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 2011 This Form is Open to Public Inspection.
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For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan <u>LETOURNEAU TECHNOLOGIES, INC. RETIREMENT INCOME PLAN</u>	B Three-digit plan number (PN) ▶ <u>007</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>ROWAN COMPANIES, INC.</u>	D Employer Identification Number (EIN) <u>75-0759420</u>

Part I	Distributions
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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.....	1	<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): <u>13-3795042</u>		
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.....	3	<u>12</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 (include any prior year accumulated funding deficiency not waived)	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
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).....	6c		
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 or other authority 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. 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.
----------------	---

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: 68.0% Investment-Grade Debt: 23.0% High-Yield Debt: 2.0% Real Estate: 5.0% Other: 2.0%

- 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):

**LETOURNEAU TECHNOLOGIES, INC.
RETIREMENT INCOME PLAN**

Financial Statements, Supplemental Schedule
And Independent Auditors' Report

December 31, 2011 and 2010

**LETOURNEAU TECHNOLOGIES, INC. RETIREMENT INCOME PLAN
DECEMBER 31, 2011 AND 2010**

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Note: Other schedules required by 29 CFR 2520.103-10 of the Department of Labor's Rules and Regulations for reporting and disclosure under ERISA have been omitted because they are not applicable.



Independent Auditors' Report

LeTourneau Technologies, Inc. Retirement Income Plan:

We were engaged to audit the accompanying statements of net assets available for benefits of the LeTourneau Technologies, Inc. Retirement Income Plan (the Plan) as of December 31, 2011 and 2010, the related statements of changes in net assets available for benefits for the years then ended, and the related supplementary information as of December 31, 2011, as listed in the accompanying table of contents. These financial statements and supplementary information are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the investment information summarized in Note 3, which was certified by JPMorgan Chase Bank, N.A., the trustee of the Plan, except for comparing the information with the related information included in the financial statements. 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 a certification from the trustee as of December 31, 2011 and 2010, and for the years then ended, 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 supplementary information taken as a whole. The form and content of the information included in the financial statements and supplementary information, other than that derived from the investment information certified by the trustees, have been audited by us in accordance with auditing standards generally accepted in the United States and, in our opinion, are presented in compliance with the DOL Rules and Regulations for Reporting and Disclosure under ERISA.

McConnell & Jones LLP

Houston, Texas
October 10, 2012

LETOURNEAU TECHNOLOGIES, INC. RETIREMENT INCOME PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

DECEMBER 31, 2011 AND 2010

	2011	2010
ASSETS:		
Investments, at fair value:		
Plan interest in Master Trust	\$58,695,867	\$ 55,647,533
Equitable Contract	240,540	258,703
Total investments	58,936,407	55,906,236
Receivables:		
Employer contributions	3,574,000	6,284,000
TOTAL ASSETS	62,510,407	62,190,236
NET ASSETS AVAILABLE FOR BENEFITS	\$62,510,407	\$ 62,190,236

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

LETOURNEAU TECHNOLOGIES, INC. RETIREMENT INCOME PLAN
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
YEARS ENDED DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
ADDITIONS:		
Plan interest in net (loss) income of Master Trust	\$ (108,802)	\$ 6,678,321
Employer contributions	3,574,000	10,778,000
Interest	<u>5,570</u>	<u>7,785</u>
TOTAL ADDITIONS	<u>3,470,768</u>	<u>17,464,106</u>
DEDUCTIONS:		
Benefit payments	2,803,725	2,296,993
Administrative expenses	<u>346,872</u>	<u>374,458</u>
TOTAL DEDUCTIONS	<u>3,150,597</u>	<u>2,671,451</u>
INCREASE IN NET ASSETS	320,171	14,792,655
NET ASSETS AVAILABLE FOR BENEFITS BEGINNING OF YEAR	<u>62,190,236</u>	<u>47,397,581</u>
NET ASSETS AVAILABLE FOR BENEFITS END OF YEAR	<u><u>\$ 62,510,407</u></u>	<u><u>\$62,190,236</u></u>

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

LETOURNEAU TECHNOLOGIES, INC. RETIREMENT INCOME PLAN

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2011 AND 2010

1. DESCRIPTION OF THE PLAN

The following brief description of the LeTourneau Technologies, Inc. Retirement Income Plan (the “Plan”) is provided for general informational purposes only. Participants should refer to the Plan’s Summary Plan Description for more complete information.

General – The Plan is a noncontributory defined benefit pension plan covering former eligible employees of LeTourneau Technologies, Inc. and its subsidiaries (collectively referred to as the “Company”). LeTourneau Technologies, Inc. was acquired by Joy Global, Inc. on June 22, 2011. At that date, Rowan assumed the ownership of the Plan and the related portion of the Master Trust investments. Rowan became the Plan sponsor for the Plan which is subject to the Employee Retirement Income Security Act of 1974, (“ERISA”).

Effective December 31, 2010, the Plan was frozen for both benefit accrual purposes and for new entrants. Effective January 1, 2011, there are no future benefit accruals under the Plan.

Participation – All employees are eligible to participate in the Plan upon completion of 1,000 hours of service in any period of 12 consecutive months and upon attaining the age of 21.

Retirement Benefits – Employees who have attained normal retirement age are entitled to the following monthly benefits:

- (1) 1% of the average monthly compensation, less 1% of the monthly primary Social Security Benefit, multiplied by the total years of service; plus
- (2) Monthly accrued benefit derived from member contributions transferred from a predecessor plan, if any.

Normal retirement age is the later of the date the employee reaches age 65 or the fifth anniversary of the date participation commenced. There is no partial vesting of benefits.

Participants may elect early retirement upon attaining the age of 55 or upon any date between the ages of 55 and 65, after completing five years of service. Benefits will be reduced according to the formula specified in the Plan agreement.

Participants may elect to postpone retirement beyond normal retirement age and will continue to accrue benefits based on monthly average compensation earned to the earlier of the date of actual retirement or age 70½.

Unless a retired participant elects otherwise, a married participant will receive an actuarially reduced benefit payable for life and, upon his or her death, 50% of the benefit will be payable to the surviving spouse. An unmarried participant will receive an unreduced benefit for only his or her lifetime.

LETOURNEAU TECHNOLOGIES, INC. RETIREMENT INCOME PLAN

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2011 AND 2010

The Plan has provisions for disability retirement benefits and death benefits.

Plan Termination – The Company expects to continue the Plan indefinitely but reserves the right to terminate it by duly adopted written resolutions of Rowan’s Board of Directors.

In the event the Plan terminates, the assets of the Plan will be allocated, as prescribed by Section 4044 of ERISA and its related regulations, generally to provide the following benefits in the order indicated:

- (1) Vested benefits insured by the Pension Benefit Guaranty Corporation (the “PBGC”) up to the applicable limitations (discussed below).
- (2) All other vested benefits (those not insured by the PBGC).
- (3) All nonvested benefits.

Certain benefits under the Plan are insured by the PBGC if the Plan terminates. Generally, the PBGC guarantees most vested, normal retirement age benefits and certain disability and survivors’ pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations.

Whether all participants receive their benefit should the Plan terminate at some future time will depend on the sufficiency, at that time, of the Plan’s net assets to provide those benefits and may also depend on the level of benefits guaranteed by the PBGC.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting – The financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (“US GAAP”).

Use of Estimates – The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and the actuarial present value of accumulated plan benefits and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Investment Valuation and Income Recognition – Assets of the Plan are held by JPMorgan Chase Bank, N.A. (the “Trustee”) under a trust agreement adopted by Rowan within the Master Trust Under Various Employee Benefits Plans of Rowan Companies, Inc. and its Related Companies (the “Master Trust”). The terms of the trust agreement provide investment managers and the Trustee with full discretionary authority for the purchase and sale of investments.

LETOURNEAU TECHNOLOGIES, INC. RETIREMENT INCOME PLAN

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2011 AND 2010

The investments are stated at fair value as determined by the Trustee based on the latest quoted market values of the underlying securities. The Trustee determines the Plan's interest in the market value of the Master Trust's net assets and related investment income in accordance with a computational method agreed upon by the Plan administrator and the Trustee. See *Note 3 – Investment in Master Trust* for the Master Trust's investments by level within the fair value hierarchy as of December 31, 2011 and 2010.

The unallocated insurance contract represents funds held outside the Master Trust on deposit with Equitable Life Assurance Society of America ("Equitable"), which are invested by it in separate funds. See *Note 4 – Unallocated Insurance Contract* for the Plan's investments by level within the fair value hierarchy as of December 31, 2011 and 2010, held outside the Master Trust.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded as earned and dividends are recorded on the ex-dividend date. The net increase in fair value of investments consists of the net change in unrealized gains (losses) in fair values and realized gains (losses) upon the sale of investment securities. The net change in unrealized gains (losses) and realized gains (losses) upon sale are determined using the fair values as of the beginning of the year or the purchase price if acquired during the year.

As defined in Financial Accounting Standards Board ("FASB") Accounting Standards Codification 820 *Fair Value Measurements and Disclosures* ("FASB ASC 820"), 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. When determining the fair value measurements for assets and liabilities required to be recorded at fair value, the Plan considers the principal or most advantageous market in which it would transact and considers assumptions that market participants would use when pricing the asset or liability, such as inherent risk, transfer restrictions, and risk of nonperformance.

FASB ASC 820 also establishes a fair value hierarchy that requires the Plan to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. FASB ASC 820 establishes a three-tier fair value hierarchy, which prioritizes the inputs used to measure fair value as follows:

- Level 1: quoted prices in active markets for identical assets or liabilities;
- Level 2: inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices in active markets for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities; or

LETOURNEAU TECHNOLOGIES, INC. RETIREMENT INCOME PLAN

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2011 AND 2010

- Level 3: unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The asset 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 used need to maximize the use of observable inputs.

Common stocks: Valued at the closing price reported on the active market on which the individual securities are traded.

Money market fund: This fund is valued using unadjusted quoted market prices for identical assets.

Mutual funds: Valued at the net asset value ("NAV") of shares held by the plan at year end.

Common Collective Trusts and 103-12 investment entities: The Master Trust's interest in the common collective trusts and 103-12 investment entities is stated at NAV provided by the administrator of the funds. The NAV is based on the value of the underlying assets owned by the funds, minus its liabilities, and divided by the number of units outstanding. The funds are classified within level 2 of the valuation hierarchy because the underlying investments are traded in an active market.

Limited partnership: The fund's valuation of real estate and mortgage loans and bonds payable use significant unobservable inputs.

Unallocated insurance contract: Valued using amortized cost which approximates fair value.

Contributions – Contributions to the Plan from the Company are recorded in the period that the Plan's actuary determines they relate to except that a contribution receivable is recorded to the extent that amounts due are pursuant to formal commitments as well as legal or contractual requirements in existence at the end of the Plan year.

Payment of Benefits – Benefits are recorded when paid.

Expenses of the Plan – Most expenses incurred in the administration of the Plan and the Master Trust are paid by the Master Trust and allocated to the participating plans. These expenses include fees and expenses of the Trustees, fund managers and consultants. Any other expenses incurred in the operation of the Plan are paid by Rowan.

Actuarial Present Value of Accumulated Plan Benefits – Accumulated plan benefits are those future periodic payments that are attributable under the Plan's provisions to the service employees have rendered. Accumulated plan benefits include benefits expected to be paid

LETOURNEAU TECHNOLOGIES, INC. RETIREMENT INCOME PLAN

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2011 AND 2010

to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died and (c) present employees or their beneficiaries. The accumulated plan benefits for active employees are based on eligible earnings and credited service on the date on which the benefit information is presented (the "valuation date"). Benefits payable under all circumstances (retirement, death, and termination of employment) are included to the extent they are deemed attributable to employee service rendered to the valuation date.

Management's Review of Subsequent Events – In preparing the accompanying financial statements, Plan management has reviewed all known events that have occurred after December 31, 2011, and through October 10, 2012, for inclusion in the financial statements and footnotes.

New Accounting Pronouncements – In January 2010, FASB issued Accounting Standards Update ("ASU") No. 2010-06, *Fair Value Measurements and Disclosures – Improving Disclosures about Fair Value Measurements* ("ASU No. 2010-06"), which amends Accounting Standards Codification ("ASC") Subtopic No. 820-10, relating to fair value measurements, adding new disclosure requirements for Levels 1 and 2, separate disclosures of purchases, sales, issuances, and settlements relating to Level 3 measurements and clarification of existing fair value disclosures. A portion of ASU No. 2010-06 requiring expanded disclosure of activity for Level 3 assets and liabilities will be effective for fiscal years beginning after December 15, 2010. The adoption of this standard did not impact the Plan's financial statements.

In May 2011, the FASB issued Accounting Standards Update 2011-04, *Amendments to Achieve Common Fair Value Measurements and Disclosure Requirements in U.S. GAAP and IFRSs*, (ASU 2011-04). ASU 2011-04 amended ASC 820, *Fair Value Measurements and Disclosures*, to converge the fair value measurement guidance in US generally accepted accounting principles (GAAP) and International Financial Reporting Standards (IFRSs). Some of the amendments clarify the application of existing fair value measurement requirements, while other amendments change a particular principle in ASC 820. In addition, ASU 2011-04 requires additional fair value disclosures. The amendments are to be applied prospectively and are effective for annual periods beginning after December 15, 2011. Plan management is currently evaluating the effect that the provisions of ASU 2011-04 will have on the Plan's financial statements.

3. INVESTMENT IN MASTER TRUST (CERTIFIED BY TRUSTEE)

The Master Trust Under Various Employee Benefits Plans of Rowan Companies, Inc. and its Related Companies commingles, for investment and administrative purposes, Plan assets with those of another plan sponsored by a Rowan subsidiary. The Plan's interest in the Master Trust represents 5% or more of net assets available for benefits.

LETOURNEAU TECHNOLOGIES, INC. RETIREMENT INCOME PLAN

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2011 AND 2010

The net assets of the Master Trust at December 31, 2011 and 2010, were as follows:

	2011		2010	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Investments – at fair value:				
Common stocks – U.S. equities	\$ 42,949,205	10%	\$ 44,525,865	11%
Money market fund	11,285,077	2%	9,391,779	2%
Mutual funds:				
Large value	-		38,564,994	9%
Large blend	168,910,164	38%	83,992,776	20%
Intermediate-term bond	61,243,268	13%	51,467,976	12%
Common / Collective Trust	141,972,672	32%	134,543,343	32%
103-12 investment entities	-		39,039,303	9%
Limited partnership	21,950,635	5%	20,205,788	5%
Other assets	<u>157,084</u>	0%	<u>234,016</u>	0%
 Total investments	 448,468,105	 100%	 421,965,840	 100%
Receivables	29,632		22,990	
Payables	<u>(91,928)</u>		<u>(49,129)</u>	
 Net assets	 <u>\$448,405,809</u>		 <u>\$421,939,701</u>	

LETOURNEAU TECHNOLOGIES, INC. RETIREMENT INCOME PLAN

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2011 AND 2010

The changes in net assets for the Master Trust for the years ended December 31, 2011 and 2010 was as follows:

	<u>2011</u>	<u>2010</u>
Investment income:		
Net appreciation (depreciation) in fair value of investments:		
Common stocks	\$ (1,457,600)	\$ 7,877,768
Mutual funds	132,196	19,251,567
Common collective trusts	(8,689,573)	5,852,860
103-12 investment entities	1,862,305	11,594,426
Limited partnership	1,744,847	2,205,788
Interest and dividends	6,627,333	5,549,950
Other income	<u>255,080</u>	<u>59,343</u>
Net investment income	474,588	52,391,702
Administrative expenses	<u>(1,077,445)</u>	<u>(1,332,501)</u>
Net income (loss) before tranfers	(602,857)	51,059,201
Transfers in	52,494,000	56,375,000
Transfers out	<u>(25,425,035)</u>	<u>(22,776,184)</u>
Net income	26,466,108	84,658,017
Net Assets at beginning of year	<u>421,939,701</u>	<u>337,281,684</u>
Net Assets at end of year	<u><u>\$448,405,809</u></u>	<u><u>\$ 421,939,701</u></u>

The Plan's interest in the Master Trust's total investment units was approximately 13% at December 31, 2011 and 2010, with the balance attributed to the other Rowan-sponsored plan.

The following table presents the Master Trust investments that represent 5% or more of Master Trust's net assets available for benefits as of December 31, 2011 and 2010:

	<u>2011</u>	<u>2010</u>
Vanguard Instl. Equity Index Fund	\$ 168,910,164	\$ 83,992,776
Western Asset Fund Inc. Core Plus	61,243,268	51,467,976
SSGA Bond Market Index Fund	64,702,662	54,392,593
Blackrock MSCI ACWI Ex-US Fund	77,210,010	80,150,750
Intech/Janus Risk Managed Large Cap Growth Fund	-	39,039,303

LETOURNEAU TECHNOLOGIES, INC. RETIREMENT INCOME PLAN

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2011 AND 2010

In accordance with FASB ASC 820, the following table presents the Master Trust's investments:

	<u>2011</u>	<u>2010</u>
Level 1:		
Common stocks – U.S. equities	\$ 42,949,205	\$ 44,525,865
Money market fund	11,285,077	9,391,779
Mutual funds:		
Large value	-	38,564,994
Large blend	168,910,164	83,992,776
Intermediate-term bond	61,243,268	51,467,976
	<u>284,387,714</u>	<u>227,943,390</u>
Level 2:		
Common / Collective trust	141,972,672	134,543,343
103-12 investment entities	-	39,039,303
Other assets	157,084	234,016
	<u>142,129,756</u>	<u>173,816,662</u>
Level 3:		
Limited partnership	<u>21,950,635</u>	<u>20,205,788</u>
Total investments at fair value	<u><u>\$ 448,468,105</u></u>	<u><u>\$ 421,965,840</u></u>

The following table includes a summary of changes in the fair value of the Master Trust's Level 3 investments for the years ended December 31, 2011 and 2010:

	<u>2011</u>	<u>2010</u>
Limited partnership:		
Balance, beginning of year	\$ 20,205,788	\$ -
Unrealized gains/(losses) relating to assets still held at the reporting date	1,744,847	2,205,788
Issuances	-	18,000,000
Balance, end of year	<u><u>\$ 21,950,635</u></u>	<u><u>\$ 20,205,788</u></u>

LETOURNEAU TECHNOLOGIES, INC. RETIREMENT INCOME PLAN

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2011 AND 2010

4. UNALLOCATED INSURANCE CONTRACT

The following table presents the Plan funds on deposit with Equitable held outside the Master Trust by level within the fair value hierarchy as of December 31, 2011 and 2010:

	<u>2011</u>	<u>2010</u>
Level 3:		
Unallocated insurance contract	\$ 240,540	\$ 258,703
Total investments at fair value	<u>\$ 240,540</u>	<u>\$ 258,703</u>

The following table includes a summary of changes in the fair value of the Plan's Level 3 investments for the years ended December 31, 2011 and 2010:

	<u>2011</u>	<u>2010</u>
Unallocated insurance contract:		
Balance, beginning of year	\$ 258,703	\$ 277,603
Realized gains/(losses)	5,570	7,785
Settlements	(23,733)	(26,685)
Balance, end of year	<u>\$ 240,540</u>	<u>\$ 258,703</u>

5. FUNDING POLICY

Contributions to the Plan are made solely by Rowan in amounts not less than that required by ERISA. Annual contributions are computed by the Plan's actuary, which used the traditional unit credit actuarial cost method for the plan years ended December 31, 2011 and 2010.

The Internal Revenue Code ("IRC") generally requires that estimated annual employer contributions be made through quarterly installments, with final amounts paid by September 15 of the following year. Rowan elected to contribute \$3,574,000 to the Plan for 2011, which meets the funding requirement for 2011.

6. RISKS 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 investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that these changes could materially affect the amounts reported in the statement of net assets available for benefits.

LETOURNEAU TECHNOLOGIES, INC. RETIREMENT INCOME PLAN

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2011 AND 2010

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 the 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.

7. TAX STATUS

The Internal Revenue Service ("IRS") has determined and informed the Company by a letter dated October 23, 2009, that the Plan and related trust are designed in accordance with applicable sections of the IRC. Though the Plan has been amended since that date, the Plan administrator and the Company believe that the Plan continues to be designed and is currently being operated in compliance with the applicable requirements of the IRC.

US GAAP require plan management to evaluate uncertain tax positions taken by the Plan. The financial statement effects of a tax position are recognized when the position is more likely than not, based on the technical merits, to be sustained upon examination by the IRS. The plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2011, there are no uncertain positions taken or expected to be taken. The Plan has recognized no interest or penalties related to uncertain tax positions. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The plan administrator believes it is no longer subject to income tax examinations for years prior to 2008.

8. PARTY-IN-INTEREST TRANSACTIONS

Certain plan investments are managed by JPMorgan, the trustee of the Plan. Therefore, these transactions qualify as party-in-interest transactions; however, they are exempt from the prohibited transactions rules under ERISA.

9. ACCUMULATED PLAN BENEFITS

The actuarial present value of accumulated plan benefits is determined by the Plan's actuary, Mercer, and is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits 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 significant actuarial assumptions used to compute the actuarial present value of accumulated plan benefits as of January 1, 2011 and 2010 were as follows:

LETOURNEAU TECHNOLOGIES, INC. RETIREMENT INCOME PLAN

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2011 AND 2010

- i. Life expectancy of active participants and nondisabled pensioners (RP-2000 Combined Healthy Mortality Table for males and females with a blue collar adjustment projected to 2010 with Scale AA) – unchanged from prior year.
- i. Retirement will occur between the ages of 55 and 67 with an average retirement age of 62 – unchanged from prior year.
- ii. The assumed discount rate is 8% per annum (unchanged from prior year).

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. If the Plan were to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

The accumulated plan benefits information at January 1, 2011 and 2010 is as follows:

	<u>2011</u>	<u>2010</u>
Actuarial present value of accumulated plan benefits:		
Vested benefits:		
Participants currently receiving benefits	\$ 20,164,749	\$ 18,170,368
Active participants	27,267,735	24,241,769
Inactive participants with deferred benefits	<u>5,074,242</u>	<u>4,570,646</u>
	52,506,726	46,982,783
Non-vested benefits	<u>2,119,483</u>	<u>2,553,876</u>
Total actuarial present value of accumulated plan benefits	<u>\$ 54,626,209</u>	<u>\$ 49,536,659</u>

LETOURNEAU TECHNOLOGIES, INC. RETIREMENT INCOME PLAN

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2011 AND 2010

The change in the actuarial present value of accumulated plan benefits from January 1, 2010, to January 1, 2011, is attributed to the following:

Actuarial present value of accumulated plan benefits at January 1, 2010	<u>\$ 49,536,659</u>
Increase (decrease) during the year attributable to:	
Benefits accumulated	3,694,097
Increase for interest due to the decrease in the discount period	3,871,941
Benefits paid	(2,274,790)
Change in actuarial assumptions	<u>(201,698)</u>
Net increase	<u>5,089,550</u>
Actuarial present value of accumulated plan benefits at January 1, 2011	<u><u>\$ 54,626,209</u></u>

10. NAV PER SHARE

In accordance with FASB ASU No. 2009-12, *Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)*, the Plan expanded its disclosure to include the category, fair value, redemption frequency, and redemption notice period for those assets whose fair value is estimated using the net asset value per share or its equivalent for which the fair value is not readily determinable as of December 31, 2011 and 2010. For the Plan, such assets include investments in common collective trust funds and 103-12 investments.

The following tables for December 31, 2011 and 2010, sets forth a summary of the Master Trust's investments with a reported NAV.

	Fair Value Estimated Using NAV per Share					
	December 31, 2011 and 2010					
	Fair Value at NAV as of 12/31/2011	Fair Value at NAV as of 12/31/2010	Unfunded Commitment	Redemption Frequency	Other Redemption Restrictions	Redemption Notice Period
SSGA Bond Market Index SL (a)	\$ 64,702,662	\$ 54,392,593	None	Immediate	None	2 days
Blackrock MSCI ACWI EX-US Fund (b)	77,270,010	80,150,750	None	Immediate	None	3 days
Intech/Janus Risk Managed Large Cap Growth Fund (c)	-	39,039,303	None	Immediate	None	1 day

- (a) The fund invests in a well-diversified portfolio that is representative of the broad domestic bond market consisting primarily of government, corporate, mortgage-backed and asset-backed securities with maturities of greater than one year.
- (b) The fund seeks investment results that correspond generally to the price and yield performance of the MSCI All Country World Index ex USA.
- (c) The underlying premise of the strategy for the fund is to build portfolios of companies whose price variability is designed to produce returns in excess of the benchmark.

SUPPLEMENTARY INFORMATION

LETOURNEAU TECHNOLOGIES, INC. RETIREMENT INCOME PLAN

EIN: 75-0759420 PN: 007

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

As of December 31, 2011

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Par, or Maturity Value	(d) Cost	(e) Current Value
	Equitable Life Assurance Society Guarantee Contract	Unallocated insurance contract	\$ 240,540	\$ 240,540
		Total	\$ 240,540	\$ 240,540

Schedule SB, Line 26 — Schedule of Active Participant Data

Attained age	Years of credited service									
	Under 1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 & up
Under 25		39 42,840	6							
25-29		114 55,206	29 59,804	1						
30-34		125 59,331	48 61,726	27 53,802						
35-39		114 51,938	58 55,955	37 67,166	6					
40-44		115 57,062	71 62,282	42 60,686	13	8				
45-49		106 55,364	55 51,441	59 59,191	18	18	4	1		
50-54		83 57,782	48 59,889	57 48,696	27 63,225	16	7	20 63,129		
55-59		64 55,985	50 53,010	68 50,411	19	19	6	18	10	
60-64		28 57,562	29 50,336	40 52,655	13	19	2	19	10	8
65-69		7	7	11	7	3	2	4	5	14
70 & up			1	3	2	1				2

In each cell, the top number is the count of active participants for each age/service combination and the bottom number is average pay for 2010 limited to \$245,000. Average pay is not shown for plans with less than 1,000 active participants or cells with fewer than 20 participants.

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods**Actuarial assumptions****Discount rate sponsor elections**

▪ Segment rates or full yield curve	Segment
▪ Look-back months	4
▪ First 5 years	3.78%
▪ Next 15 years	6.31%
▪ Over 20 years	6.57%

Mortality sponsor elections

▪ Healthy participants	Section 430(h)(3) prescribed separate static combined static annuitant and nonannuitant mortality tables. These tables are based on the RP-2000 mortality tables projected with mortality improvement to the valuation year plus 7 and 15 years based on Scale AA.
▪ Pre-1995 disabilities	Revenue Ruling 96-7 table for participants who became disabled before 1995.
▪ Post-1994 disabilities	Revenue Ruling 96-7 table for participants who became disabled after 1994 and are eligible for Social Security disability benefits.

Other economic assumptions

▪ Salary increases	See table of sample rates.
▪ Social Security wage base	3.50% per year
▪ Inflation	2.50% per year
▪ Expected investment return	8.00% per year for years 2009 through 2011.
▪ Expenses	\$344,202 added to current year normal cost. Administrative expenses paid from trust during 2010 plus an estimate of the PBGC premiums paid in current year.

Demographic assumptions

Withdrawal	See table of sample rates.
------------	----------------------------

Disability incidence	See table of sample rates.
----------------------	----------------------------

Retirement age	Attained age	Retirement
	Under 55	0%
	55 – 61	5%
	62	30%
	63 – 64	20%
	65 – 66	80%
	67 and above	100%

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

Benefit commencement age for

- Future vested deferred 50% are assumed to commence at age 55 and 50% are assumed to commence at age 65.
- Current vested deferred 60

Spouse assumptions

Male participants**Female participants**

- Percentage married 80% 80%
- Spouse age difference 3 years younger 3 years older

Form of payment	<u>Single life</u>	Single life based on	
		<u>50% J&S</u>	<u>75% J&S</u>
▪ Active retirements	35%	0%	65%
▪ Future vested deferred	35%	0%	65%
▪ Future disabilities	35%	0%	65%
▪ Future deaths	0%	100%	0%
▪ Current vested deferred	35%	0%	65%

Unpredictable contingent event assumptions N/A

Table of sample rates**Salary increases**

Attained age	Percentage increase at attained age	Ratio of salary at age 65 to salary at attained age
20	7.25%	715.5%
25	6.60	510.4
30	5.95	375.3
35	5.30	284.6
40	4.65	222.6
45	4.00	179.6
50	3.35	149.4
55	2.70	128.3
60	2.50	113.1

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

Attained age	Percentage
20	0.020%
25	0.033
30	0.066
35	0.119
40	0.182
45	0.277
50	0.476
55	0.870
60	1.375

Withdrawal

Age entry	Years of service						Ultimate age
	0	1	2	3	4	5+	
20	17.9%	17.8%	17.7%	17.5%	17.4%	11.6%	25
25	17.2	17.0	16.8	16.6	16.4	11.2	30
30	16.2	16.0	15.7	15.4	15.2	10.6	35
35	14.9	14.5	14.2	13.9	13.5	9.4	40
40	13.1	12.7	12.3	11.8	11.3	7.5	45
45	10.8	10.3	9.8	9.2	8.6	4.8	50
50	7.9	7.2	6.6	5.9	5.1	1.7	55
55	4.4	3.7	3.0	2.3	1.7	0.2	60
60	1.2	0.7	0.4	0.1	0.0	N/A	65

Actuarial methods**Asset methods**

The asset valuation method is an average of the adjusted market value for each month during the last 24 months preceding the valuation date. The adjusted market value is the market value at each determination date adjusted to the valuation date based on actual cash flows and expected interest at the lesser of the expected rate of return and the third segment rate. This amount is adjusted to be no greater than 110 percent and no less than 90 percent of the fair market value, as defined in IRC Section 430.

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

A characteristic of this asset method is that, over time, it is slightly more likely to produce an actuarial value of assets that is less than the market value of assets than an actuarial value that is greater than the market value.

Participant methods

Participants or former participants are included or excluded from the valuation as described below:

- **Participants included:** The plan sponsor provides us with data on all employees as of the valuation date, but only those employees who have completed the plan's eligibility requirements are included in the valuation of liabilities.
- **Participants excluded:** No actuarial liability is included for nonvested participants who terminated prior to the valuation date. For this purpose, participants with a break in service on the valuation date are treated as terminated participants.
- **Insurance contracts:** The plan does not have any insurance contracts.

Minimum funding methods

The funding target for minimum funding calculations is computed using the traditional unit credit method of funding. The objective under this method is to fund each participant's benefits under the plan as they accrue. Thus, the total pension to which each participant is expected to become entitled at retirement is broken down into units, each associated with a year of past or future credited service.

A detailed description of the calculation follows:

- The plan's valuation date is the beginning of the plan year.
- An individual's **funding target** is the present value of future benefits based on credited service and average pay as of the beginning of the plan year, and an individual's **target normal cost** is the present value of the benefit expected to accrue in the plan year. If multiple decrements are used, the funding target and the target normal cost for an individual is the sum of the component funding targets and target normal costs associated with the various anticipated separation dates.
- The plan provides disability benefits that are only partially based on a participant's accrued benefit or years of service. This benefit is allocated to funding target based on the accrued benefit on the valuation date plus a portion of the excess of the benefit over the accrued benefit multiplied by the ratio of the participant's service at the beginning of the plan year to their service at each decrement age. This benefit is allocated to targeted normal cost based on the participant's benefit attributable to the increase in the participant's service and compensation during the plan year.
- The plan's **target normal cost** is the sum of the individual target normal costs, and the plan's **funding target** is the sum of the individual funding targets for all participants under the plan.

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

Maximum deductible contribution method

Calculations of maximum deductible contributions include the excess of the funding target computed using the projected unit credit method over the minimum funding target. The objective of the projected unit credit method is to fund each participant's benefits under the plan as they accrue, taking into consideration expected future compensation increases. Thus, the total pension to which each participant is expected to become entitled at retirement is broken down into units, each associated with a year of past or future credited service.

A detailed description of the calculation follows:

- An individual's **projected funding target** is the present value of benefits based on credited service as of the beginning of the plan year and projected compensation that would be used in the calculation of the benefit on each expected separation date. If multiple decrements are used, the projected funding target for an individual is the sum of the component projected funding targets associated with the various anticipated separation dates.
- The plan's **projected funding target** is the sum of the projected funding targets for all participants under the plan. The excess of the plan's projected funding target over the plan's funding target is included in the "cushion amount."

**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

2011**This Form is Open to Public Inspection**

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

■ **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 LETOURNEAU TECHNOLOGIES, INC. RETIREMENT INCOME PLAN		B Three-digit plan number (PN) ■ 007
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF ROWAN COMPANIES, INC.		D Employer Identification Number (EIN) 75-0759420
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>1</u> Day <u>1</u> Year <u>2011</u>			
2 Assets:			
a Market value	2a	61,791,026	
b Actuarial value	2b	57,718,692	
3 Funding target/participant count breakdown:		(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment.....	3a	447	23,884,105
b For terminated vested participants	3b	377	6,542,022
c For active participants:			
(1) Non-vested benefits.....	3c(1)		2,491,111
(2) Vested benefits	3c(2)		35,727,133
(3) Total active.....	3c(3)	1,864	38,218,244
d Total.....	3d	2,688	68,644,371
4 If the plan is in at-risk status, check the box and complete lines (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 in at-risk status for fewer than five consecutive years and disregarding loading factor	4b		
5 Effective interest rate	5	6.32 %	
6 Target normal cost	6	344,202	

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**

KB

Signature of actuary

KEVIN BILLS

Type or print name of actuary

MERCER

1000 MAIN STREET, SUITE 2900 Firm name

HOUSTON

TX 77002-6336

Address of the firm

10/8/2012

Date

11-07029

Most recent enrollment number

(713) 276-2100

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) 2011
v.012611

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 (line 13 from prior year).....	0	0
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9	Amount remaining (line 7 minus line 8).....	0	0
10	Interest on line 9 using prior year's actual return of <u>14.29%</u>		
11	Prior year's excess contributions to be added to prefunding balance:		
a	Present value of excess contributions (line 38 from prior year)		4,360,622
b	Interest on (a) using prior year's effective rate of <u>6.69%</u> except as otherwise provided (see instructions).....		291,726
c	Total available at beginning of current plan year to add to prefunding balance.....		4,652,348
d	Portion of (c) to be added to prefunding balance.....		3,944,837
12	Other reductions in balances due to elections or deemed elections.....		1,761,409
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12).....	0	2,183,428

Part III Funding percentages		
14	Funding target attainment percentage	80.90 %
15	Adjusted funding target attainment percentage	80.00 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement.....	81.40 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.....	%

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	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
01/13/2012	662,000				
03/30/2012	1,190,000				
04/13/2012	860,000				
07/13/2012	862,000				
Totals •			18(b)	3,574,000	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 contributions from prior years.	19a	
b Contributions made to avoid restrictions adjusted to valuation date.....	19b	
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date.....	19c	3,304,001

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: 3.78 %	2nd segment: 6.31 %	3rd segment: 6.57 %
			☐ N/A, full yield curve used
b Applicable month (enter code)			21b 4
22 Weighted average retirement age			22 62
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 contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)	29	
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum required contribution for current year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)	31a	344,202	
b Excess assets, if applicable, but not greater than 31a	31b	0	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment	13,109,107	2,873,025	
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 (lines 31a - 31b + 32a + 32b - 33)	34	3,217,227	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	2,183,428	2,183,428
36 Additional cash requirement (line 34 minus line 35)	36	1,033,799	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	3,304,001	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	2,270,202	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	2,183,428	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40	0	

Part IX Pension funding relief under Pension Relief Act of 2010 (see instructions)

41 If a shortfall amortization base is being amortized pursuant to an alternative amortization schedule:			
a Schedule elected	☐ 2 plus 7 years ☐ 15 years		
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008	☐ 2009	☐ 2010 ☐ 2011
42 Amount of acceleration adjustment	42		
43 Excess installment acceleration amount to be carried over to future plan years	43		

Schedule SB, Line 22 — Description of Weighted Average Retirement Age

Each employee is assumed to retire in accordance with the table of retirement rates. The proportion of employees expected to retire at each potential retirement age is shown below. The average retirement age is 62.

	Number of employees	Percent retiring	Total retiring	Weighted age
55	10,000	5.0%	500	27,500
56	9,500	5.0%	475	26,600
57	9,025	5.0%	451	25,707
58	8,574	5.0%	429	24,882
59	8,145	5.0%	407	24,013
60	7,738	5.0%	387	23,220
61	7,351	5.0%	368	22,448
62	6,983	30.0%	2,095	129,890
63	4,888	20.0%	978	61,614
64	3,910	20.0%	782	50,048
65	3,128	80.0%	2,502	162,630
66	626	80.0%	501	33,066
67	125	100.0%	125	8,375
Total			10,000	619,993
Average				61.99

Schedule SB, Part V — Summary of Plan Provisions

Benefits included or excluded

Unless noted below, all benefits provided by the plan, as restated and amended through the plan freeze amendment, are included in this valuation.

- **Most recent plan amendments included:** The plan freeze amendment is included because it was adopted by the valuation date and is effective by the end of the plan year
- **Plan amendments excluded:** None
- **IRC Section 436 benefit restrictions:**
 - *Unpredictable contingent event benefits:* None.
 - *Plan amendments:* See above.
 - *Prohibited payments:* None.
 - *Benefit accruals:* The plan's funding target does not reflect any limitation on benefit accruals. The target normal cost does not reflect any limitation on benefit accruals.
- **Late retirement increases:**
 - *Active participants:* The plan provides benefit suspension notices to participants who work beyond normal retirement; therefore, late retirement actuarial increases only apply to participants who defer retirement beyond age 70½.
 - *Deferred vested participants:* Current deferred vested participants over normal retirement age are valued including the late retirement actuarial increase.
- **Unpredictable contingent event benefits:** The plan does not have any unpredictable contingent event benefits.
- **IRC Section 415(b) benefit limitations:** The limitations of Internal Revenue Code Section 415(b) have been incorporated into our calculations.
- **IRC Section 416 rules for top-heavy plans:** We did not test whether this plan is top-heavy (when the present value of benefits for key employees equals or exceeds 60 percent of the present value for all participants). However, we expect that the plan is not top-heavy due to the large number of rank-and-file participants; therefore, the funding target and target normal cost do not reflect any liability for top-heavy benefit accruals.

Schedule SB, Part V — Summary of Plan Provisions**Summary of major plan provisions**

Effective date and plan year	Restated plan: January 1, 2008 Plan year: January 1 to December 31
Status of the plan	The plan was frozen with respect to both new Members and benefit accruals as of December 31, 2010.
Significant events that occurred during the year	LeTourneau Technologies, Inc. was sold and Rowan Companies, Inc. retained the Plan.
Administration	The plan is administered by an Administrative Committee appointed by the Board of Directors of the employer.

Definitions

▪ Eligible employees	Any Employee of the Company excluding (i) members of a collective bargaining unit, unless there is a collective bargaining agreement providing for participation of such Employees in the Plan, (ii) non-resident aliens not on the U.S. payroll, (iii) leased employees, (iv) consultants, and (v) independent contractors.
▪ Eligibility	Each Transferred Member became a Member of the Plan as of the Effective Date. Any other Eligible Employee shall become a Member upon the January 1 or July 1, following one year of participation service and age 21. The plan was frozen to new Members as of December 31, 2010.
▪ Employer contributions	Payments to be made in such amounts as determined from time to time by the employer.
▪ Participant contributions	None required or permitted.
▪ Vesting service	<u>After the Effective Date:</u> A Member shall be credited with one year of Vesting Service for each Plan Year in which he completes 1,000 or more Hours of Service. <u>Before the Effective Date:</u> The Member will be credited with service as of the Effective Date determined under the terms of the General Cable Corporation Master Pension Plan.

Schedule SB, Part V — Summary of Plan Provisions

▪ Accrual service	<p><u>After the Effective Date:</u></p> <p>For each Plan Year during which a Member works 1,000 or more hours he shall be credited with one year of Accrual Service. Pro rata credit will be given for years in which an employee works less than 1,000 hours.</p> <p><u>Before the Effective Date:</u></p> <p>Same as vesting service.</p> <p>Benefit accruals under the plan were frozen as of December 31, 2010.</p>
▪ Average annual compensation	The five consecutive calendar years of employment with the Company and Controlled Entities which yield the highest average compensation.
▪ Pensionable earnings	The total of all base salary, overtime and bonuses paid by the Company or a Controlled Entity, including all amounts that would have been paid had the Employee not elected a reduction under section 125 or 401(k) of the Code. Covered Compensation for a plan year will not exceed the limits of IRC Section 401(a)(17).
▪ Primary Social Security benefit	The estimated amount of monthly benefit which will be provided by Social Security. The amount is equal to the "primary insurance amount" at age 65.
▪ Actuarial equivalence	<p><u>Lump sum option:</u> The mortality table prescribed by Section 430(h)(3) and in effect at the time of payment with segment rates pursuant to Section 417(e)(3)(c) with a 2 month look-back.</p> <p><u>All other forms of payment:</u> The UP-1984 Mortality Table using an 8.00% interest rate.</p>
Normal retirement	
▪ Eligibility	Age 65 with 5 years of service.

Schedule SB, Part V — Summary of Plan Provisions

▪ Benefit	<p>The monthly amount of benefit, payable monthly for life, is equal to:</p> <p>(1) For Transferred Members who had not withdrawn their contributions with interest, the sum of A, B and C.</p> <p>(2) For Transferred Members who had withdrawn their contributions with interest, the sum of C and the greater of A and B.</p> <p>(3) For all other Members, the sum of B and C below:</p> <p>(a) Monthly accrued benefit as of December 31, 1981 determined under the terms of the General Cable Corporation Master Pension Plan.</p> <p>(b) 1% of his Average Monthly Compensation minus 1% of his Social Security Benefit, multiplied by his years of Accrual Service prior to January 1, 1982.</p> <p>(c) 1% of his Average Monthly Compensation minus 1% of his Social Security Benefit, multiplied by his years of Accrual Service from and after January 1, 1982.</p> <p>Benefit accruals under the plan were frozen as of December 31, 2010.</p>
Early retirement	
▪ Eligibility	Age 55 and 5 years of Vesting Service.
▪ Benefit	The benefit, deferred to age 65, is determined as for normal retirement considering compensation and service to early retirement date. If the benefit commences prior to age 65, the benefit is reduced by 1/2% for each month the benefit begins before age 65.
Deferred vested	
▪ Eligibility	5 years of Vesting Service.
▪ Benefit	Calculated in the same manner as an Early Retirement Benefit.
Disability	
▪ Eligibility	Total and Permanent Disability before Normal Retirement Date

Schedule SB, Part V — Summary of Plan Provisions

▪ Benefit	<p>Employees covered by LTD: A benefit commencing at Normal Retirement Date (or earlier date that LTD benefits cease) based on service and pay as if the employee had remained employed throughout the time he was on LTD.</p> <p>Employee's not covered by LTD: A benefit commencing 6 months after disability based on service and pay to date of disability. If a participant was under age 55 or had less than ten years of service when he became disabled, the benefit will be payable only through his Normal Retirement Date.</p>
Death benefit	
▪ Eligibility	5 years of Vesting Service.
▪ Benefit	50% of the reduced Joint and Survivor Benefit based on the accrued benefit at date of death (or earlier termination) payable at the later of death or age 55.
Form of benefits	
▪ Automatic form for unmarried participants	The normal form of benefit payment is for the life of the participant.
▪ Automatic form for married participants	An actuarially equivalent qualified joint and survivor annuity is paid.
▪ Optional forms	<ul style="list-style-type: none"> ▪ Benefit payable for life with 120 monthly payments guaranteed ▪ Benefit payable for life with 50%, 75%, or 100% of the benefit continuing to the joint annuitant following the death of the participant ▪ An automatic lump sum payment if the value is less than \$5,000, and has never exceeded \$5,000
Miscellaneous	
▪ Maximum compensation	Compensation for any 12-month period used to determine accrued benefits may not exceed the limits in IRC Section 401(a)(17) for the calendar year in which the 12-month period begins. This limit is indexed annually. For 2011, the limit is \$245,000.
▪ Maximum benefits	Annual benefits may not exceed the limits in IRC Section 415. This limit is indexed annually. For 2011, the limit is \$195,000.

Schedule SB, Part V — Summary of Plan Provisions

Plan provision changes since prior valuation

The plan was frozen to new Members and benefit accruals under the plan ceased as of December 31, 2010.

Maximum compensation and maximum benefits were updated from 2010 to 2011.

LETOURNEAU TECHNOLOGIES, INC. RETIREMENT INCOME PLAN

EIN: 75-0759420 PN: 007

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

As of December 31, 2011

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Par, or Maturity Value	(d) Cost	(e) Current Value
	Equitable Life Assurance Society Guarantee Contract	Unallocated insurance contract	\$ 240,540	\$ 240,540
		Total	\$ 240,540	\$ 240,540

Schedule SB, Line 32 — Schedule of Amortization Bases

The shortfall amortization charge is the sum of the shortfall base amortization for each plan year covered under PPA. Although a shortfall base can be negative, the combined shortfall amortization charge cannot be negative.

Shortfall bases				
Year established		Outstanding balance	Years remaining	2011 Installment
2008	\$	6,473,466	4	\$ 1,709,518
2009		292,084	5	62,830
2010		2,692,173	6	499,918
2011		3,651,384	7	600,759
Total	\$	13,109,107		\$ 2,873,025

Schedule SB, Line 24 — Change in Actuarial Assumptions

- Expense normal cost decreased from \$344,425 to \$344,202 to reflect our expectations for the current plan year.
- Interest discounts and mortality were updated from 2010 to 2011 in accordance with PPA.