

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). ► Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089
		2011
		This Form is Open to Public Inspection

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>SMITH INTERNATIONAL, INC. 401(K) RETIREMENT PLAN</u>	1b Three-digit plan number (PN) ► <u>009</u> 1c Effective date of plan <u>01/01/1980</u>
2a Plan sponsor's name and address, including room or suite number (Employer, if for single-employer plan) <u>SMITH INTERNATIONAL, INC.</u> <u>1310 RANKIN RD</u> <u>HOUSTON, TX 77073</u>	2b Employer Identification Number (EIN) <u>95-3822631</u> 2c Sponsor's telephone number <u>281-443-3370</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	<u>Filed with authorized/valid electronic signature.</u>	<u>06/21/2013</u>	<u>MARGARET BAILEY</u>
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	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") SMITH INTERNATIONAL, INC. 1310 RANKIN RD HOUSTON, TX 77073	3b Administrator's EIN 95-3822631 3c Administrator's telephone number 281-443-3370
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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 SAME	4b EIN 4c PN
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5 Total number of participants at the beginning of the plan year	5	8447
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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	7083
b Retired or separated participants receiving benefits.....	6b	8
c Other retired or separated participants entitled to future benefits.....	6c	2454
d Subtotal. Add lines 6a , 6b , and 6c	6d	9545
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	3
f Total. Add lines 6d and 6e	6f	9548
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	9130
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	899

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:

2A 2E 2F 2G 2J 2K 2R

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)	9b Plan benefit arrangement (check all that apply)
(1) ☐ Insurance	(1) ☐ Insurance
(2) ☐ Code section 412(e)(3) insurance contracts	(2) ☐ Code section 412(e)(3) insurance contracts
(3) ☒ Trust	(3) ☒ Trust
(4) ☐ General assets of the sponsor	(4) ☐ General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

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

b General Schedules

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

SCHEDULE 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>SMITH INTERNATIONAL, INC. 401(K) RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>009</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>SMITH INTERNATIONAL, INC.</u>	D Employer Identification Number (EIN) <u>95-3822631</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)

VANGUARD GROUP INC.

23-1945930

(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?
16 26 33 37 51	NONE	233277	Yes ☒ No ☐	Yes ☒ No ☐	0	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 ☐

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: DELOITTE & TOUCHE, LLP	b EIN: 13-3891517
c Position: AUDITOR	
d Address: 1111 BAGBY STREET HOUSTON, TX 77002-4196	e Telephone: 713-982-2000

Explanation: ELECTED TO RETAIN THE SERVICES OF NEW AUDITOR.

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>SMITH INTERNATIONAL, INC. 401(K) RETIREMENT PLAN</u>	B Three-digit plan number (PN)	<u>009</u>
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>SMITH INTERNATIONAL, INC.</u>	D Employer Identification Number (EIN) <u>95-3822631</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: VANGUARD RETIREMENT SAVINGS TRUST

b Name of sponsor of entity listed in (a): VANGUARD FIDICIARY TRUST COMPANY

c EIN-PN <u>23-2186884-022</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>19709800</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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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
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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 2011 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>SMITH INTERNATIONAL, INC. 401(K) RETIREMENT PLAN</u>	B Three-digit plan number (PN) ►	<u>009</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>SMITH INTERNATIONAL, INC.</u>	D Employer Identification Number (EIN) <u>95-3822631</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)	22769161	16009187
(2) Participant contributions	1b(2)	1693254	793778
(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)	19263316	22286827
(9) Value of interest in common/collective trusts.....	1c(9)	11797044	19709800
(10) Value of interest in pooled separate accounts.....	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	434581647	477492659
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)		150461

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	61282737	44939505
(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	551387159	581382217

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		

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	551387159	581382217
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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 Contributions:**

		(a) Amount	(b) Total
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	39086101	
(B) Participants	2a(1)(B)	36151061	
(C) Others (including rollovers)	2a(1)(C)	2330430	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		77567592

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)	915460	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		915460

(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)	683253	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	10742326	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		11425579
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	9354761	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	9222400	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		132361

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other	2b(5)(B)	-10003082	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		-10003082
(6) Net investment gain (loss) from common/collective trusts	2b(6)		913890
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		-11099576
c Other income.....	2c		-458
d Total income. Add all income amounts in column (b) and enter total.....	2d		69851766

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	48466358	
(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)		48466358
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)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)	251322	
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		251322
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		48717680

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		21134086
l Transfers of assets:			
(1) To this plan.....	2l(1)		10554478
(2) From this plan	2l(2)		1693506

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: BDO USA, LLP

(2) EIN: 13-5381590

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		500000
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.).....		X	
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.		X	

- 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)

M-I RETIREMENT PLAN

WILSON 401(K) RETIREMENT PLAN

5b(2) EIN(s)	5b(3) PN(s)
76-0596553	003
46-0463795	002

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>SMITH INTERNATIONAL, INC. 401(K) RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>009</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>SMITH INTERNATIONAL, INC.</u>	D Employer Identification Number (EIN) <u>95-3822631</u>

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

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	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>23-2186884</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>893</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.
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10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?.....	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.).....	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents) _____

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents) _____

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents) _____

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents) _____

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents) _____

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents) _____

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

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

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

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

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

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

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

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

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

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

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

a Enter the percentage of plan assets held as:
 Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate item 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

**SMITH INTERNATIONAL, INC.
401(k) RETIREMENT PLAN**

**FINANCIAL STATEMENTS
AND SUPPLEMENTAL SCHEDULE**

**For the Years Ended December 31, 2011 and 2010
With Independent Auditors' Report**

SMITH INTERNATIONAL, INC. 401(k) RETIREMENT PLAN

TABLE OF CONTENTS

	Page(s)
Independent Auditors' Report	3-4
Financial Statements:	
Statements of Net Assets Available for Benefits	5
Statements of Changes in Net Assets Available for Benefits	6
Notes to Financial Statements	7-20
Supplemental Schedule:	
Schedule H (Form 5500) - Part IV, Line 4i: Schedule of Assets (Held at End of Year)	22



INDEPENDENT AUDITORS' REPORT

To the Administrative Committee of the
Smith International, Inc. 401(k) Plan
Houston, Texas

We were engaged to audit the financial statements and supplemental schedule of the Smith International, Inc. 401(k) Retirement Plan (the "Plan") as of December 31, 2011, and for the year then ended, as listed in the accompanying table of contents. These financial statements and supplemental schedule are the responsibility of the Plan's management. The financial statements of the Plan as of and for the year ended December 31, 2010, before restatement for the matter described in the second following paragraph, were reported on by other auditors, whose report dated October 17, 2011 disclaimed an opinion for the reasons set forth below.

As permitted by 29 CFR Section 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by the Vanguard Fiduciary Trust Company, the Trustee of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedule. 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 and for the year ended December 31, 2011, that the information provided to the Plan Administrator by the Trustee is complete and accurate.

As described in Note 3, certain errors resulting in understatement of amounts previously reported for employer contributions receivable and revenue as of December 31, 2010 were discovered by the Plan during the current year. Accordingly, amounts reported for employer contributions receivable and revenue have been restated in the 2010 financial statements now presented, and an adjustment has been made to net assets available for benefits as of December 31, 2010, to correct the error.

Because of the significance of the information in the Plan's 2011 financial statements and supplemental schedule that we did not audit, we are unable to, and do not, express an opinion on the accompanying 2011 financial statements and supplemental schedule taken as a whole. The supplemental schedule of assets (held at end of year) as of December 31, 2011 is presented for the purpose of additional analysis and is not a required part of the basic 2011 financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The form and content of the information included in the 2011 financial statements and supplemental schedule, other than that derived from the information certified by the Trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.



We also audited the adjustments described in Note 3 that were applied to restate the 2010 financial statements. In our opinion, such adjustments are appropriate and have been properly applied.

BDO USA, LLP

June 12, 2013

SMITH INTERNATIONAL, INC. 401(k) RETIREMENT PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

<i>December 31,</i>	2011	2010 (As Restated- See Note 3)
Assets		
Investments, at fair value	\$ 542,292,425	\$ 507,661,428
Receivables:		
Notes receivable from participants	22,286,827	19,263,316
Employer contributions	16,009,187	22,769,161
Participant contributions	793,778	1,693,254
Total receivables	39,089,792	43,725,731
Net assets available for benefits, at fair value	581,382,217	551,387,159
Adjustment from fair value to contract value for fully benefit-responsive investment contracts	(912,689)	(464,545)
Net assets available for benefits	\$ 580,469,528	\$ 550,922,614

See the accompanying independent auditors' report and notes to financial statements.

SMITH INTERNATIONAL, INC. 401(k) RETIREMENT PLAN
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

<i>Year ended December 31,</i>	2011	2010 (As Restated- See Note 3)
Additions		
Contributions:		
Participant contributions	\$ 36,151,061	\$ 31,359,734
Rollover contributions	2,330,430	1,058,399
Employer contributions	39,086,101	42,409,698
Total contributions	77,567,592	74,827,831
Interest income on notes receivable from participants	915,460	952,927
Investment (loss) income:		
Net (depreciation) appreciation in fair value of investments	(20,973,020)	70,818,898
Interest and dividends	11,893,590	8,831,083
Net investment (loss) income	(9,079,430)	79,649,981
Total additions	69,403,622	155,430,739
Deductions		
Benefits paid to participants	48,466,358	46,694,648
Administrative expenses	251,322	242,748
Total deductions	48,717,680	46,937,396
Net increase before transfers of net assets	20,685,942	108,493,343
Net transfers of net assets from (to) affiliated plans	8,860,972	(269,246)
Net increase	29,546,914	108,224,097
Net assets available for benefits:		
Beginning of year	550,922,614	442,698,517
End of year	\$ 580,469,528	\$ 550,922,614

See the accompanying independent auditors' report and notes to financial statements.

SMITH INTERNATIONAL, INC. 401(k) RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

1. Description of the Plan

The following description of the Smith International, Inc. 401(k) Retirement Plan (the "Plan") provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

a) General and eligibility

The Plan is a defined contribution plan of Smith International, Inc. ("Smith") for the sole benefit of the employees of Smith and their beneficiaries and is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). On August 27, 2010, Schlumberger Limited ("Schlumberger" or the "Company") acquired all of the outstanding shares of Smith and assumed sponsorship of all plans sponsored by Smith and its subsidiaries. The Plan is available to all employees of the Company who meet certain eligibility requirements under the Plan. Participation in the Plan may commence upon the later of the date the employee completes 30 days of continuous service and the date on which the employee attains the age of 18.

Effective August 1, 2011, the plan was amended such that employees of At Balance Americas, Inc. ("At Balance"), a wholly-owned subsidiary of Smith, became eligible to participate in the Plan. As a result, net assets in the amount of \$1,591,878 were transferred from the Advantec Retirement Savings Plan (the "At Balance Plan") to the Plan.

b) Administration and trustee

The Company is the plan administrator as defined under ERISA. The Plan's operations are monitored by an administrative committee (the "Administrative Committee") which is comprised of officers and employees of the Company. Vanguard Fiduciary Trust Company ("Vanguard Trust" or the "Trustee") is the Trustee of all investments held by the Plan.

c) Contributions

The Plan allows participants to contribute a percentage of their compensation, as defined by the Plan, subject to certain limitations of the Internal Revenue Code of 1986, as amended (the "Code"). Employees who are eligible to participate in the Plan and who do not affirmatively elect to 1) not make elective contributions or 2) defer another designated percentage as an elective contribution, will be deemed to have made an automatic elective contribution of three percent of base compensation. This percentage will be increased by one percent effective as of the first payroll period which begins on or after January first of each Plan year unless and until the participant affirmatively makes a different deferral election. The Company makes basic, retirement and, in certain cases, discretionary matching contributions to each participant's account under the Plan. Eligible participants receive a basic match on contributions to the Plan of up to 1.5 percent of qualified compensation and a retirement contribution ranging from two percent to six percent of qualified compensation. In addition, the Company may provide discretionary profit-sharing matching contributions based upon financial performance to participants who are employed by the Company on December 31. For the years ended December 31, 2011 and 2010, the Company made profit-sharing contributions to the Plan in the amount of \$14,858,515 and \$21,312,463, respectively.

SMITH INTERNATIONAL, INC. 401(k) RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

1. Description of the Plan (cont'd)

d) Participant accounts

Individual accounts are maintained for each Plan participant. Each participant's account is credited with the participant's contributions, the Company's matching contributions, participant forfeitures and Plan earnings, and charged with withdrawals, allocation of Plan losses and administrative expenses. Allocations are based on participant earnings, deferrals or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

e) Vesting

Participants are fully vested in their contributions and related earnings and vest in Company contributions and related earnings at the rate of 20 percent for each year of service. Participant account balances transferred to the Plan from the At Balance plan at August 1, 2011 are 100% vested at all times. Upon death, termination of employment by reason of total or permanent disability or retirement from the Company upon reaching the normal retirement age of 65, participants become fully vested in Company contributions and related earnings.

The Plan has certain provisions that provide for service credit for vesting and eligibility purposes for all employees who directly transfer employment between Smith and M-I L.L.C., a majority-owned subsidiary of the Company, or Wilson Industries, L.P., a wholly-owned subsidiary of the Company. Effective April 10, 2012, Wilson International, Inc. and its subsidiaries including Wilson Industries, L.P., were sold to National Oilwell Varco.

In connection with the purchase of business operations, the Company may elect to amend the Plan to give past service credit to former employees of the acquired operations who become employees of the Company.

f) Investment options

Participants have the option of investing their contributions and the Company's retirement, matching and discretionary contributions among one or all of the available investments, including a variety of mutual funds and a common/collective trust ("CCT") offered by the Vanguard Group of Investment Companies (the "Vanguard Group"). Prior to the acquisition of Smith, participants had the option to invest contributions or transfer balances into the Smith Common Stock Fund. At the acquisition date, each share of Smith common stock held in the Smith Common Stock Fund was converted into 0.6966 shares of Schlumberger common stock held within the Schlumberger Common Stock Fund. Participants may transfer some or all of the balances out of any fund into one or any combination of the other funds at any time, subject to certain limitations. Subsequent to August 27, 2010, participants ceased to have the option of investing contributions or transferring balances into the Schlumberger Common Stock Fund.

SMITH INTERNATIONAL, INC. 401(k) RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

1. Description of the Plan (cont'd)

g) Plan termination

Although it has not expressed any intention to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions set forth in ERISA. In the event that the Plan is terminated, participants would become 100% vested in their accounts.

h) Notes receivable from participants

Participants may borrow from their accounts provided that they have no more than two loans outstanding at anytime, subject to terms specified by the Plan document. The Plan permits participants to borrow the lesser of \$50,000 or 50 percent of their vested account balances in the Plan. These loans bear interest at prime plus one percent and are repaid through payroll withholdings over a period not to exceed five years, except for qualifying loans to purchase a primary residence which may be repaid over an extended period.

i) Distributions, withdrawals and forfeitures

A participant may elect to receive benefit payments through any one of the several methods provided by the Plan upon termination or retirement. The Plan also provides for hardship distributions to participants with immediate and significant financial needs, subject to authorization by Plan management and limited to the participant's vested account balance.

In the event that a participant terminates employment with the Company, the participant's vested balances will be distributed in accordance with the Plan's distribution provisions including, when applicable, the participant's distribution election. During 2011 and 2010, forfeitures of \$1,528,412 and \$1,191,460, respectively, were used to reduce the Company's contributions and pay Plan expenses. Forfeitures available at December 31, 2011 and 2010 totaled \$130,933 and \$80,551, respectively.

2. Summary of significant accounting policies

a) Basis of accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Investment contracts held by a defined contribution plan are required to be reported at fair value. This applies even when the contracts are not held directly by the Plan but are underlying assets in CCT investments held by the Plan. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants

SMITH INTERNATIONAL, INC. 401(k) RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

2. Summary of significant accounting policies (cont'd)

would receive if they were to initiate permitted transactions under the terms of the Plan. The Plan invests in investment contracts through CCTs. The statements of net assets available for benefits present the fair value of the investment in the CCTs as well as the adjustment of the fully benefit-responsive investment contracts from fair value to contract value. Activity related to fully benefit-responsive investment contracts is reported on a contract value basis in the statements of changes in net assets available for benefits.

b) Use of estimates

The preparation of financial statements in conformity with U.S. GAAP requires Plan management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

c) Risks and uncertainties

The Plan provides for various investments in mutual funds, a CCT and Schlumberger common stock. Investment securities, in general, are exposed to various risks, such as interest rate, credit and overall market volatility risk. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values and concentrations of investment securities will occur in the near term and those changes could materially affect the amounts reported in the statements of net assets available for benefits.

d) Investment valuation and income recognition

The Plan follows the provisions of Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 820, "Fair Value Measurement." Under FASB ASC Topic 820, fair value is defined as 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 (the exit price).

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

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;

SMITH INTERNATIONAL, INC. 401(k) RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

2. Summary of significant accounting policies (cont'd)

- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of relevant observable inputs and minimize the use of unobservable inputs. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the Plan. Unobservable inputs are inputs that reflect the Plan's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. Changes in economic conditions or valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the end of the reporting period. See Note 5 for the disclosures required by FASB ASC Topic 820 with regard to Plan investments.

In determining the fair value of investments, the Plan uses various inputs and valuation methodologies which are described in Note 5. There have been no significant changes in the inputs or valuation methodologies used at December 31, 2011 and 2010.

The Plan presents in the statements of changes in net assets available for benefits the net appreciation or depreciation in the fair value of investments, which consists of realized gains or losses on investments sold and unrealized gains or losses on investments held.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

Management fees and operating expenses charged to the Plan for investments in the mutual funds and the common collective trust fund are deducted from income earned on a daily basis and are not separately reflected. Consequently, management fees and operating expenses are reflected as a reduction of investment return for such investments.

e) Notes receivable from participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent participant loans are recorded as distributions based on the terms of the Plan document.

f) Administrative expenses

The Plan is responsible for its administrative expenses. The Company may elect to pay administrative expenses from the forfeitures of the Plan or pay expenses on behalf of the Plan.

SMITH INTERNATIONAL, INC. 401(k) RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

2. Summary of significant accounting policies (cont'd)

g) *Benefits paid to participants*

Benefits paid to participants are recorded upon distribution. There were no benefits payable to participants as of December 31, 2011 or 2010.

h) *New accounting pronouncements*

In January 2010, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2010-06, Fair Value Measurements and Disclosures (Topic 820): *Improving Disclosures about Fair Value Measurements*. ASU 2010-06 mends the disclosure requirements of Accounting Standards Codification ("ASC") 820, *Fair Value Measurements and Disclosures*, including new disclosures about transfers into and out of Levels 1 and 2 and clarified existing fair value disclosures about the level of disaggregation and about inputs and valuation techniques used to measure fair value. This portion of the ASU 2010-06 is effective for the Plan in 2010. In addition, there are requirements for separate disclosures relating to Level 3 fair value measurements that are effective for years beginning after December 15, 2010. The adoption of this portion of ASU 2010-06 did not have an impact on the Plan's financial statements.

In May 2011, the FASB issued ASU 2011-04, *Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRs* (ASU 2011-04). ASU 2011-04 amended ASC 820, *Fair Value Measurements and Disclosures*, to provide a consistent definition of fair value and improve the comparability of fair value measurements presented and disclosed in financial statements prepared in accordance with U.S. GAAP and IFRSs. Some of the amendments clarify the application of existing fair value measurements. 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.

i) *Reclassification*

Certain accounts in the prior year financial statements have been reclassified to conform to the current year's presentation.

SMITH INTERNATIONAL, INC. 401(K) RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

3. Restatement of net assets available for benefits

The accompanying financial statement amounts reported for 2010 have been restated to incorporate an increase in employer contributions receivable and revenue. The effect on the Plan's change in net assets available for benefits as reported in the previously issued December 31, 2010 financial statements is summarized as follows:

<i>Change in net assets available for benefits</i>	As Previously Reported	Adjustments	As Restated
Employer contributions	\$ 21,097,235	\$ 21,312,463	\$ 42,409,698
Total contributions	\$ 53,515,368	\$ 21,312,463	\$ 74,827,831
Total additions	\$ 134,118,276	\$ 21,312,463	\$ 155,430,739
Net increase before transfers of net assets	\$ 87,180,880	\$ 21,312,463	\$ 108,493,343
Net increase	\$ 86,911,634	\$ 21,312,463	\$ 108,224,097
Net assets available for benefits, end of year	\$ 529,610,151	\$ 21,312,463	\$ 550,922,614

The effect on the Plan's net assets available for benefits as reported in the previously issued December 31, 2010 financial statements is summarized as follows:

	As Previously Reported	Adjustments	As Restated
Receivables, employer contributions	\$ 1,456,698	\$ 21,312,463	\$ 22,769,161
Total receivables	\$ 22,413,268	\$ 21,312,463	\$ 43,725,731
Net assets available for benefits, at fair value	\$ 530,074,696	\$ 21,312,463	\$ 551,387,159
Net assets available for benefits	\$ 529,610,151	\$ 21,312,463	\$ 550,922,614

SMITH INTERNATIONAL, INC. 401(k) RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

4. Information certified by the Plan's Trustee

The following is a summary of the information regarding the Plan as of December 31, 2011 and 2010, and for the years then ended, included in the Plan's financial statements (including footnotes) and supplemental schedule, that was prepared by or derived from information prepared by the Trustee of the Plan, and furnished to the Plan administrator. The Plan administrator has obtained certification from the Trustee that such information is complete and accurate.

	2011	2010
Statements of net assets available for benefits:		
Investments, at fair value	\$ 542,292,425 *	\$ 507,661,428 *
Notes receivable from participants	\$ 22,286,827	\$ 19,263,316
Statements of changes in net assets available for benefits:		
Net (depreciation) appreciation in fair value of investments	\$ (20,973,020)	\$ 70,818,898
Interest and dividends	\$ 11,893,590	\$ 8,831,083
Interest income on notes receivable from participants	\$ 915,460	\$ 952,927

* The Trustee certified to the fair value of the Plan's investments except for the Plan's investment in a CCT. The Trustee certified to the contract value of the CCT of \$18,797,111 and \$11,332,499 as of December 31, 2011 and 2010, respectively.

The Plan's independent auditors did not perform auditing procedures with respect to this information except for comparing such information with the related information included in the financial statements and supplemental schedule.

SMITH INTERNATIONAL, INC. 401(k) RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

5. Investments

The Plan's investments which represented five percent or more of the Plan's net assets available for benefits as of December 31 are as follows:

	2011	2010
Vanguard Wellington Fund	\$ 105,428,067	\$ 80,388,343
Vanguard Prime Money Market Fund	\$ 75,622,531	\$ 62,865,870
Schlumberger Limited Common Stock Fund	\$ 44,939,505	\$ 61,282,737
Vanguard PRIMECAP Fund	\$ 44,553,446	\$ 48,248,361
Vanguard 500 Index Portfolio Fund	\$ 46,119,935	\$ 44,992,722
Vanguard International, Inc. Common Stock Fund	\$ 32,099,801	\$ 38,223,082
Vanguard Windsor Fund	\$ 34,798,777	\$ 35,426,576

For the years ended December 31, 2011 and 2010, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) (depreciated) appreciated in value as follows:

	2011	2010
Mutual funds	\$ (11,099,576)	\$ 36,136,564
Common stock funds	(9,870,721)	34,661,117
Brokerage option	(2,723)	21,217
	\$ (20,973,020)	\$ 70,818,898

SMITH INTERNATIONAL, INC. 401(k) RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

6. Fair value measurements

The following tables set forth by level, within the fair value hierarchy, the Plan's investments measured at fair value as of December 31, 2011 and 2010 as discussed in Note 2:

Investment Assets at Fair Value at December 31, 2011				
	Level 1	Level 2	Level 3	Total
Mutual funds:				
Domestic stock funds	\$ 162,380,875	\$ -	\$ -	\$ 162,380,875
Balanced funds	156,747,320	-	-	156,747,320
International stock fund	32,099,801	-	-	32,099,801
Money market fund	75,622,531	-	-	75,622,531
Municipal bond funds	50,642,132	-	-	50,642,132
Common/collective trust Schlumberger Limited	-	19,709,800	-	19,709,800
common stock fund:				
Common stock	-	44,672,185	-	44,672,185
Short-term cash	-	267,320	-	267,320
Brokerage option	150,461	-	-	150,461
Total	\$ 477,643,120	\$ 64,649,305	\$ -	\$ 542,292,425

Investment Assets at Fair Value at December 31, 2010				
	Level 1	Level 2	Level 3	Total
Mutual funds:				
Domestic stock funds	\$ 164,425,816	\$ -	\$ -	\$ 164,425,816
Balanced funds	128,409,131	-	-	128,409,131
International stock fund	38,223,082	-	-	38,223,082
Money market fund	62,865,870	-	-	62,865,870
Municipal bond funds	40,508,346	-	-	40,508,346
Common/collective trust Schlumberger Limited	-	11,797,044	-	11,797,044
common stock fund:				
Common stock	-	60,878,703	-	60,878,703
Short-term cash	-	404,034	-	404,034
Brokerage option	149,402	-	-	149,402
Total	\$ 434,581,647	\$ 73,079,781	\$ -	\$ 507,661,428

The following is a description of the valuation methodologies used for assets measured at fair value as of December 31, 2011 and 2010:

SMITH INTERNATIONAL, INC. 401(k) RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

6. Fair value measurements (cont'd)

- *Mutual funds* - Shares of mutual funds are valued at quoted market prices, which represent the net asset value ("NAV") of shares held by the Plan at year-end. The money market mutual fund is stated at amortized cost, which approximates fair value.
- *Common collective trust* - The common/collective trust is stated at fair value and then adjusted to contract value as described in Note 6.
- *Common stock fund* - The common stock fund is an employer unitized stock fund. The fund consists of Schlumberger Limited common stock and a short-term cash component that provides liquidity for daily trading. The unit value of the common stock fund represents the sum of (i) the year-end unaudited quoted market price of common stock held by the common stock fund plus (ii) the uninvested cash position divided by the total number of member units.
- *Brokerage option* - Brokerage option investments consist of common stock and a mutual fund which are valued at unadjusted quoted market prices.

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

The following table summarizes the Level 2 investments measured at fair value and reported at NAV per share as of December 31, 2011 and 2010:

	Fair Value		Unfunded	Redemption	Redemption
	2011	2010	commitments at	frequency	notice
			December 31, 2011	(if currently	period
				eligible)	
Vanguard Retirement Savings Trust (a)	\$ 19,709,800	\$ 11,797,044	\$ -	Immediate	None
Schlumberger Limited Common Stock Fund (b)	44,939,505	61,282,737	-	Immediate	None
Total	\$ 64,649,305	\$ 73,079,781	\$ -		

(a) The Vanguard Retirement Savings Trust seeks stability of principal and a high level of current income consistent with a 2-3 year average maturity. The trust is a tax-exempt collective trust invested primarily in investment contracts issued by insurance companies.

(b) Stock fund comprised of Schlumberger common stock and uninvested cash.

SMITH INTERNATIONAL, INC. 401(k) RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

7. Vanguard Retirement Savings Trust

The Vanguard Retirement Savings Trust (the "Fund") is a CCT sponsored by Vanguard Trust. The beneficial interest of each participant is represented by units. Units are issued and redeemed daily at the Fund's constant net asset value NAV of \$1 per unit. Distribution to the Fund's unit holders is declared daily from the net investment income and automatically reinvested in the Fund on a monthly basis, when paid. It is the policy of the Fund to use its best efforts to maintain a stable net asset value of \$1 per unit; although there is no guarantee that the Fund will be able to maintain this value.

Participants ordinarily may direct the withdrawal or transfer of all or a portion of their investment at contract value. Contract value represents contributions made to the Fund, plus earnings, less participant withdrawals and administrative expenses. Certain events or restrictions would allow contract issuers to terminate the contracts and settle at other than contract value, such as: (a) a change in the qualification status of participants, the employer or the Plan, (b) a breach of material obligations under the contract and misrepresentation by the contract holder, or (c) failure of the underlying portfolio to conform to pre established investment guidelines. The Fund itself may be subject to circumstances that affect its ability to transact at contract value. Such circumstances include, but are not limited to, partial or legal termination of the Fund or a unitholder, tax disqualification of the Fund or unitholder, and certain Fund amendments if the contract issuers' consent is not obtained. Plan management believes that the occurrence of events that would cause the Fund to transact at less than contract value is not probable.

The crediting interest rates were 2.68% and 3.2% at December 31, 2011 and 2010, respectively. The average yield for the years ended December 31, 2011 and 2010 were 3.09% and 3.4%, respectively.

8. Federal income tax status

The Internal Revenue Service ("IRS") has determined and informed the Company by a letter dated April 11, 2008, that the Plan and related trust were designed in accordance with the applicable regulations of the IRC. The Plan has been amended since receiving the determination letter. However, the Company and Plan management believes the Plan, as amended, is designed and is currently being operated in compliance with the applicable requirements of the Code. Therefore, the Company and Plan management believe that the Plan is qualified and the related trust was tax-exempt as of the financial statement date.

U.S. GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not 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 that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits in progress for any tax periods. The Plan administrator believes it is no longer subject to income tax examinations for years prior to 2008.

SMITH INTERNATIONAL, INC. 401(k) RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

9. Exempt party-in-interest transactions

The Plan invests in shares of common stock of Schlumberger. As Schlumberger is the ultimate owner of the Plan Sponsor, these transactions qualify as party-in-interest transactions. In addition, the Plan invests in shares of mutual funds and a common/collective trust fund managed by the Vanguard Group, an affiliate of Vanguard Trust. Such transactions, while considered party-in-interest transactions under ERISA regulations, are permitted under the provisions of the Plan and are specifically exempt from the prohibition of party-in-interest transactions under ERISA. Notes receivable from participants also qualify as exempt party-in-interest transactions.

The Plan held \$44,939,505 of common stock of Schlumberger, with a cost basis of \$31,866,859 at December 31, 2011. At December 31, 2010 the Plan held \$61,282,737 of common stock of Schlumberger, with a cost basis of \$35,957,149. During the years ended December 31, 2011 and 2010, the Plan recorded dividend income of \$683,253 and \$124,212 from Schlumberger common stock. During the year ended December 31, 2010, the Plan recorded dividend income of \$424,079 from Smith common stock.

10. Net transfers of net assets from (to) affiliated plan

Net transfers of net assets from (to) plans of affiliated companies result from employment transfers of individuals participants between the various affiliated companies.

11. Reconciliation of financial statements to Form 5500

The following is a reconciliation of net assets available per financial statements to Form 5500 at December 31, 2011 and 2010:

	2011	2010 (As Restated- See Note 3)
Net assets available for benefits per financial statements	\$ 580,469,528	\$ 550,922,614
Add: Adjustment from fair value to contract value for fully benefit-responsive investment contracts	912,689	464,545
Net assets available for benefits per Form 5500	\$ 581,382,217	\$ 551,387,159

SMITH INTERNATIONAL, INC. 401(k) RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

11. Reconciliation of financial statements to Form 5500 (cont'd)

The following is a reconciliation of the increase in net assets available for benefits per the financial statements to Form 5500 for the year ended December 31, 2011:

	2011
Increase in net assets available for benefits per financial statements	\$ 29,546,914
Prior year adjustment from fair value to contract value for fully benefit-responsive investment contracts	(464,545)
Current year adjustment from fair value to contract value for fully benefit-responsive investment contracts	912,689
Net transfers of net assets from affiliated plans	(8,860,972)
Increase in net assets available for benefits per Form 5500	\$ 21,134,086

12. Subsequent events

Effective January 1, 2013, participants ceased contributing to the Plan and began contributing to the Schlumberger Technology Corporation Savings and Profit Sharing Plan (the "Schlumberger Plan"). On April 1, 2013, the Plan was merged with and into the Schlumberger Plan. Accordingly, the assets of the Plan were transferred to the Schlumberger Master Profit Sharing Trust.

For the purposes of determining the effect of subsequent events on these financial statements, management has evaluated events through June 12, 2013, the date on which the financial statements were available to be issued.

SUPPLEMENTAL SCHEDULE

SMITH INTERNATIONAL, INC. 401(k) RETIREMENT PLAN

SCHEDULE H (FORM 5500) - PART IV, LINE 4i: SCHEDULE OF ASSETS (HELD AT END OF YEAR) E.I.N. 95-3822631; P.N. 009

DECEMBER 31, 2011

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment, including maturity date, rate of interest, collateral, par, or maturity value	(d) Cost*	(e) Current value
Mutual funds:				
**	Vanguard Group	Vanguard 500 Index Inv	\$	46,119,935
**	Vanguard Group	Vanguard Explorer Fund Inv		11,268,131
**	Vanguard Group	Vanguard Extend Mkt Index Inv		25,640,585
**	Vanguard Group	Vanguard IT Treasury Inv		3,479,774
**	Vanguard Group	Vanguard Int'l Growth Fund Inv		32,099,801
**	Vanguard Group	Vanguard LT Inv Grade		17,430,903
**	Vanguard Group	Vanguard LT Treasury Inv		5,073,793
**	Vanguard Group	Vanguard PRIMECAP Fund Inv		44,553,446
**	Vanguard Group	Vanguard Prime Money Mkt		75,622,531
**	Vanguard Group	Vanguard ST Treasury Inv		3,621,424
**	Vanguard Group	Vanguard Tgt Retirement 2005		398,356
**	Vanguard Group	Vanguard Tgt Retirement 2010		3,492,630
**	Vanguard Group	Vanguard Tgt Retirement 2015		9,606,185
**	Vanguard Group	Vanguard Tgt Retirement 2020		8,099,857
**	Vanguard Group	Vanguard Tgt Retirement 2025		8,963,933
**	Vanguard Group	Vanguard Tgt Retirement 2030		4,282,600
**	Vanguard Group	Vanguard Tgt Retirement 2035		6,312,023
**	Vanguard Group	Vanguard Tgt Retirement 2040		2,384,623
**	Vanguard Group	Vanguard Tgt Retirement 2045		4,085,012
**	Vanguard Group	Vanguard Tgt Retirement 2050		1,175,194
**	Vanguard Group	Vanguard Tgt Retirement 2055		468,258
**	Vanguard Group	Vanguard Target Retirement Inc		2,050,582
**	Vanguard Group	Vanguard Total Bd Mkt Index Inv		21,036,238
**	Vanguard Group	Vanguard Wellington Inv		105,428,067
**	Vanguard Group	Vanguard Windsor Inv		34,798,777
Total mutual funds				477,492,659
Common/collective trust:				
**	Vanguard Group	Vanguard Retirement Savings Trust		19,709,800
Common stock fund:				
**	Schlumberger Limited	Schlumberger Common Stock Fund		44,939,505
Brokerage option				
**	Vanguard Group	Vanguard Brokerage Option		150,461
Total investments per financial statements				542,292,425
**	Participant loans	Interest rates ranging from 3.25% to 10.5%; Maturity dates ranging from January 2012 to September 2041	-	22,286,827
Total				\$ - \$ 564,579,252

* Cost omitted for participant-directed investments.

** A party-in-interest as defined by ERISA.

See accompanying independent auditors' report.

SMITH INTERNATIONAL, INC. 401(k) RETIREMENT PLAN

SCHEDULE H (FORM 5500) - PART IV, LINE 4i: SCHEDULE OF ASSETS (HELD AT END OF YEAR) E.I.N. 95-3822631; P.N. 009

DECEMBER 31, 2011

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment, including maturity date, rate of interest, collateral, par, or maturity value	(d) Cost*	(e) Current value
Mutual funds:				
**	Vanguard Group	Vanguard 500 Index Inv	\$	46,119,935
**	Vanguard Group	Vanguard Explorer Fund Inv		11,268,131
**	Vanguard Group	Vanguard Extend Mkt Index Inv		25,640,585
**	Vanguard Group	Vanguard IT Treasury Inv		3,479,774
**	Vanguard Group	Vanguard Int'l Growth Fund Inv		32,099,801
**	Vanguard Group	Vanguard LT Inv Grade		17,430,903
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**	Vanguard Group	Vanguard Tgt Retirement 2015		9,606,185
**	Vanguard Group	Vanguard Tgt Retirement 2020		8,099,857
**	Vanguard Group	Vanguard Tgt Retirement 2025		8,963,933
**	Vanguard Group	Vanguard Tgt Retirement 2030		4,282,600
**	Vanguard Group	Vanguard Tgt Retirement 2035		6,312,023
**	Vanguard Group	Vanguard Tgt Retirement 2040		2,384,623
**	Vanguard Group	Vanguard Tgt Retirement 2045		4,085,012
**	Vanguard Group	Vanguard Tgt Retirement 2050		1,175,194
**	Vanguard Group	Vanguard Tgt Retirement 2055		468,258
**	Vanguard Group	Vanguard Target Retirement Inc		2,050,582
**	Vanguard Group	Vanguard Total Bd Mkt Index Inv		21,036,238
**	Vanguard Group	Vanguard Wellington Inv		105,428,067
**	Vanguard Group	Vanguard Windsor Inv		34,798,777
Total mutual funds				477,492,659
Common/collective trust:				
**	Vanguard Group	Vanguard Retirement Savings Trust		19,709,800
Common stock fund:				
**	Schlumberger Limited	Schlumberger Common Stock Fund		44,939,505
Brokerage option				
**	Vanguard Group	Vanguard Brokerage Option		150,461
Total investments per financial statements				542,292,425
**	Participant loans	Interest rates ranging from 3.25% to 10.5%; Maturity dates ranging from January 2012 to September 2041	-	22,286,827
Total				\$ - \$ 564,579,252

* Cost omitted for participant-directed investments.

** A party-in-interest as defined by ERISA.

See accompanying independent auditors' report.

Notice to Terminated Accountant or Enrolled Actuary

I, as plan administrator, verify that the explanation that is reproduced below or attached to this notice is the explanation concerning your termination reported on Schedule C (Form 5500) attached to the 2011 Form 5500, Annual Return / Report of Employee Benefit Plan, for the SMITH INTERNATIONAL, INC. 401(K) RETIREMENT PLAN. This Form 5500 is identified in line 2b by the nine-digit EIN 95-3822631, and in line 1b by the three-digit PN 009.

You have the opportunity to comment to the Department of Labor concerning any aspect of this explanation. Comments should include the name, EIN, and PN of the plan and be submitted to:

Office of Enforcement,
Employee Benefits Security Administration
U.S. Department of Labor
200 Constitution Avenue, NW
Washington, DC 20210

Name: DELOITTE & TOUCHE, LLP

Explanation:
ELECTED TO RETAIN THE SERVICES OF NEW AUDITOR.

Margaret Bailey
Signed

6-18-13
Dated

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). ► Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1510 - 0110 1510 - 0089 2011 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 single-employer plan;	☐ a multiple-employer plan; or ☐ a DFE (specify) _____	
B This return/report is:	☐ the first return/report; ☒ an amended return/report;	☐ the final 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; ☐ special extension (enter description) _____	☐ automatic extension;	☐ the DFVC program;

Part II Basic Plan Information - enter all requested information			
1a Name of plan	1b Three-digit plan number (PN)	<u>009</u>	
SMITH INTERNATIONAL, INC. 401(K) RETIREMENT PLAN	1c Effective date of plan	<u>01/01/1980</u>	
2a Plan sponsor's name and address, including room or suite number (Employer, if for a single-employer plan)	2b Employer Identification Number (EIN)	<u>95-3822631</u>	
SMITH INTERNATIONAL, INC.	2c Sponsor's telephone number	<u>281-443-3370</u>	
1310 RANKIN RD	2d Business code (see instructions)	<u>211110</u>	
HOUSTON TX 77073			

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	 Signature of plan administrator	<u>6-18-13</u> Date	<u>MARGARET BAILEY</u> Enter name of individual signing as plan administrator
SIGN HERE	 Signature of employer/plan sponsor	<u>6-18-13</u> Date	<u>MARGARET BAILEY</u> 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") SAME	3b Administrator's EIN
	3c Administrator's telephone number

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 SAME	4b EIN
	4c PN

5 Total number of participants at the beginning of the plan year	5	8447
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	7083
b Retired or separated participants receiving benefits	6b	8
c Other retired or separated participants entitled to future benefits	6c	2454
d Subtotal. Add lines 6a, 6b, and 6c	6d	9545
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	6e	3
f Total. Add lines 6d and 6e	6f	9548
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	6g	9130
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	6h	899
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
2A 2E 2F 2G 2J 2K 2R

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)	9b Plan benefit arrangement (check all that apply)
(1) ☐ Insurance	(1) ☐ Insurance
(2) ☐ Code section 412(e)(3) insurance contracts	(2) ☐ Code section 412(e)(3) insurance contracts
(3) ☒ Trust	(3) ☒ Trust
(4) ☐ General assets of the sponsor	(4) ☐ General assets of the sponsor

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	b General Schedules
(1) ☒ R (Retirement Plan Information)	(1) ☒ H (Financial Information)
(2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary	(2) ☐ I (Financial Information - Small Plan)
(3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	(3) ☐ A (Insurance Information)
	(4) ☒ C (Service Provider Information)
	(5) ☒ D (DFE/Participating Plan Information)
	(6) ☐ G (Financial Transaction Schedules)