

ROWAN COMPANIES INC
Form 10-Q
August 09, 2006

SECURITIES AND EXCHANGE COMMISSION
Washington, D. C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 (d)
OF THE SECURITIES EXCHANGE ACT OF 1934
FOR THE QUARTERLY PERIOD ENDED JUNE 30, 2006

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 (d)
OF THE SECURITIES EXCHANGE ACT OF 1934
FOR THE TRANSITION PERIOD FROM _____ TO _____

61-5491

Commission File
Number

ROWAN COMPANIES, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

75-0759420

(I.R.S. Employer
Identification No.)

2800 Post Oak Boulevard, Suite 5450 Houston, Texas

(Address of principal executive offices)

77056-6127

(Zip Code)

(713) 621-7800

Registrant's telephone number, including area code

Inapplicable

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. Large accelerated filer Accelerated filer Non-accelerated filer

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act) Yes No

The number of shares of common stock, \$.125 par value, outstanding at July 31, 2006 was 110,395,541.

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PART I. FINANCIAL INFORMATION**Item 1. Financial Statements****ROWAN COMPANIES, INC. AND SUBSIDIARIES****CONSOLIDATED BALANCE SHEETS
(IN THOUSANDS, EXCEPT SHARE AMOUNTS)**

	June 30, 2006	December 31, 2005
ASSETS		
(Unaudited)		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 488,331	\$ 675,903
Receivables - trade and other	375,489	253,194
Inventories - at cost:		
Raw materials and supplies	203,932	169,361
Work-in-progress	52,131	26,172
Finished goods	7,262	477
Prepaid expenses	68,928	17,041
Deferred tax assets - net	16,461	65,984
Total current assets	1,212,534	1,208,132
PROPERTY, PLANT AND EQUIPMENT - at cost:		
Drilling equipment	2,305,181	2,251,714
Manufacturing plant and equipment	190,760	165,185
Construction in progress	269,667	112,939
Other property and equipment	109,198	92,992
Total	2,874,806	2,622,830
Less accumulated depreciation and amortization	921,102	902,096
Property, plant and equipment - net	1,953,704	1,720,734
GOODWILL AND OTHER ASSETS	36,177	46,317
TOTAL	\$ 3,202,415	\$ 2,975,183

See Notes to Unaudited Consolidated Financial Statements.

ROWAN COMPANIES, INC. AND SUBSIDIARIES**CONSOLIDATED BALANCE SHEETS
(IN THOUSANDS, EXCEPT SHARE AMOUNTS)**

	June 30, 2006	December 31, 2005
LIABILITIES AND STOCKHOLDERS' EQUITY		(Unaudited)
CURRENT LIABILITIES:		
Current maturities of long-term debt	\$ 64,922	\$ 64,922
Accounts payable - trade	103,342	82,935
Deferred revenues	98,767	74,490
Billings in excess of uncompleted contract costs and estimated profit	84,240	56,821
Other current liabilities	73,692	61,445
Total current liabilities	424,963	340,613
LONG-TERM DEBT - less current maturities	517,865	550,326
OTHER LIABILITIES	173,203	149,782
DEFERRED INCOME TAXES - net		