

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

**FORM 8-K**

**CURRENT REPORT  
Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported)**  
**February 27, 2013**

**STURM, RUGER & COMPANY, INC.**  
(Exact Name of Registrant as Specified in its Charter)

**DELAWARE**  
(State or Other Jurisdiction of  
Incorporation)

**001-10435**  
(Commission File Number)

**06-0633559**  
(IRS Employer Identification  
Number)

**ONE LACEY PLACE, SOUTHPORT, CONNECTICUT 06890**  
(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code **(203) 259-7843**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

## **Item 2.02 Results of Operations and Financial Condition**

On February 27, 2013, the Company issued a press release to stockholders and other interested parties regarding financial results for the year ended December 31, 2012. A copy of the press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K and incorporated herein by reference.

The information in this Current Report on Form 8-K and the Exhibit attached hereto shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 (the “Exchange Act”) or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, except as expressly set forth by specific reference in such a filing.

## **Item 9.01 Financial Statements and Exhibits.**

<u>Exhibit No.</u>	<u>Description</u>
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99.1	Press release of Sturm, Ruger & Company, Inc., dated February 27, 2013, reporting the financial results for the year ended December 31, 2012.
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### **SIGNATURES**

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

STURM, RUGER & COMPANY, INC.

By: /S/ THOMAS A. DINEEN  
Name: Thomas A. Dineen  
Title: Principal Financial Officer,  
Principal Accounting Officer,  
Vice President, Treasurer and  
Chief Financial Officer

Dated: February 27, 2013



# STURM, RUGER & CO., INC.

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FOR IMMEDIATE RELEASE

STURM, RUGER & COMPANY, INC. REPORTS 2012 FULLY DILUTED  
EARNINGS OF \$3.60 PER SHARE AND DECLARES DIVIDEND OF 40.4¢ PER SHARE

SOUTHPORT, CONNECTICUT, February 27, 2013--Sturm, Ruger & Company, Inc. (NYSE-RGR), announced today that for 2012, the Company reported net sales of \$491.8 million and fully diluted earnings of \$3.60 per share, compared with net sales of \$328.8 million and fully diluted earnings of \$2.09 per share in 2011.

For the fourth quarter of 2012, net sales were \$141.8 million and fully diluted earnings were \$1.00 per share. For the corresponding period in 2011, net sales were \$93.2 million and fully diluted earnings were 54¢ per share.

The Company also announced today that its Board of Directors declared a dividend of 40.4¢ per share for the fourth quarter, for shareholders of record as of March 8, 2013, payable on March 22, 2013. This dividend varies every quarter because the Company pays a percent of earnings rather than a fixed amount per share. This dividend is approximately 40% of net income.

Chief Executive Officer Michael O. Fifer made the following observations related to the Company's results:

- Our earnings increased 77% in 2012, driven by the 50% growth in sales and our ongoing focus on continuous improvement in our operations.

- New product introductions were a significant component of our sales growth as new product sales represented \$182.0 million or 38% of sales in 2012. New product introductions in 2012 included:
  - the Ruger American rifle,
  - the 10/22 TakeDown rifle,
  - the SR22 pistol,
  - the 22/45 Lite pistol, and
  - the Single-Nine revolver.
- Demand for our products outpaced the growth in overall industry demand as measured by the National Instant Criminal Background Check System (“NICS”) background checks (as adjusted by the National Shooting Sports Foundation) for both the fourth quarter and twelve months ended December 31, 2012 as illustrated below:

	Period ended December 31, 2012	
	Q4	Twelve months
Increase in estimated Ruger Units Sold from Distributors to Retailers	73%	63%
Increase in total adjusted NICS Background Checks	41%	28%

- Cash generated from operations during 2012 was \$87.2 million. At December 31, 2012, our cash and cash equivalents totaled \$31 million, a decrease of \$50 million from December 2011 due to the \$87 million special dividend paid in December. Our current ratio is 1.6 to 1 and we have no debt.
- In 2012, capital expenditures totaled \$27.3 million, much of it related to new products and the expansion of production capacity. We expect to invest approximately \$30 million for capital expenditures during 2013.
- In 2012, the Company returned \$111.5 million to its shareholders through the payment of dividends.
- At December 31, 2012, stockholders’ equity was \$95.0 million, which equates to a book value of \$4.93 per share, of which \$1.61 per share was cash and equivalents.

Today, the Company filed its Annual Report on Form 10-K for 2012. The financial statements included in this Annual Report on Form 10-K are attached to this press release.

The Annual Report on Form 10-K is available on the SEC website at [www.sec.gov](http://www.sec.gov) and the Ruger website at [www.ruger.com/corporate](http://www.ruger.com/corporate). Investors are urged to read the complete Annual Report on Form 10-K to ensure that they have adequate information to make informed investment judgments.

### About Sturm, Ruger

Sturm, Ruger was founded in 1949 and is one of the nation's leading manufacturers of high-quality firearms for the commercial sporting market. Sturm, Ruger is headquartered in Southport, CT, with manufacturing facilities located in Newport, NH and Prescott, AZ.

*The Company may, from time to time, make forward-looking statements and projections concerning future expectations. Such statements are based on current expectations and are subject to certain qualifying risks and uncertainties, such as market demand, sales levels of firearms, anticipated castings sales and earnings, the need for external financing for operations or capital expenditures, the results of pending litigation against the Company, the impact of future firearms control and environmental legislation, and accounting estimates, any one or more of which could cause actual results to differ materially from those projected. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date made. The Company undertakes no obligation to publish revised forward-looking statements to reflect events or circumstances after the date such forward-looking statements are made or to reflect the occurrence of subsequent unanticipated events.*

STURM, RUGER & COMPANY, INC.

Balance Sheets

*(Dollars in thousands, except per share data)*

<i>December 31,</i>	<b>2012</b>	2011
<b>Assets</b>		
Current Assets		
Cash and cash equivalents	\$ 30,978	\$ 81,056
Trade receivables, net	43,018	42,225
Gross inventories	55,827	49,004
Less LIFO reserve	(38,089)	(37,476)
Less excess and obsolescence reserve	(1,729)	(1,311)
Net inventories	16,009	10,217
Deferred income taxes	5,284	5,776
Prepaid expenses and other current assets	1,632	6,968
Total Current Assets	96,921	146,242
Property, Plant, and Equipment	195,713	169,142
Less allowances for depreciation	(129,720)	(116,195)
Net property, plant and equipment	65,993	52,947
Deferred income taxes	2,004	32
Other assets	9,568	7,289
Total Assets	\$174,486	\$206,510

STURM, RUGER & COMPANY, INC.

Balance Sheets (Continued)

(Dollars in thousands, except per share data)

<i>December 31,</i>	<b>2012</b>	2011
<b>Liabilities and Stockholders' Equity</b>		
Current Liabilities		
Trade accounts payable and accrued expenses	\$38,500	\$ 28,592
Product liability	720	1,305
Employee compensation and benefits	15,182	14,882
Workers' compensation	4,600	4,600
Income taxes payable	489	217
<b>Total Current Liabilities</b>	<b>59,491</b>	<b>49,596</b>
Accrued pension liability	19,626	19,082
Product liability	337	441
Contingent liabilities	-	-
Stockholders' Equity		
Common stock, non-voting, par value \$1:		
Authorized shares – 50,000; none issued		
Common stock, par value \$1:		
Authorized shares – 40,000,000		
2012 – 23,562,422 issued,		
19,262,988 outstanding		
2011 – 23,382,566 issued,		
19,083,132 outstanding	23,563	23,383
Additional paid-in capital	15,531	10,454
Retained earnings	123,442	168,981
Less: Treasury stock – at cost		
2012 and 2011 – 4,299,434 shares	(37,884)	(37,884)
Accumulated other comprehensive loss	(29,620)	(27,543)
<b>Total Stockholders' Equity</b>	<b>95,032</b>	<b>137,391</b>
<b>Total Liabilities and Stockholders' Equity</b>	<b>\$174,486</b>	<b>\$206,510</b>

STURM, RUGER & COMPANY, INC.

Statements of Income and Comprehensive Income

(Dollars in thousands, except per share data)

<i>Year ended December 31,</i>	<b>2012</b>	2011	2010
Net firearms sales	\$484,933	\$324,200	\$251,680
Net castings sales	6,891	4,616	3,526
Total net sales	491,824	328,816	255,206
Cost of products sold	312,871	217,058	171,224
Gross profit	178,953	111,758	83,982
Operating Expenses:			
Selling	38,363	28,691	23,517
General and administrative	29,231	20,970	16,652
Other operating expenses (income), net	293	(319)	420
Total operating expenses	67,887	49,342	40,589
Operating income	111,066	62,416	43,393
Other income:			
Royalty income	824	873	429
Interest income	34	29	48
Interest expense	(95)	(110)	(143)
Other income, net	280	308	422
Total other income, net	1,043	1,100	756
Income before income taxes	112,109	63,516	44,149
Income taxes	41,480	23,501	15,894
Net income	70,629	40,015	28,255
Other comprehensive (loss) income, net of tax:			
Defined benefit pension plans	(2,077)	(7,895)	714
Comprehensive income	\$ 68,552	\$ 32,120	\$ 28,969
Basic Earnings Per Share	\$ 3.69	\$ 2.12	\$ 1.48
Fully Diluted Earnings Per Share	\$ 3.60	\$ 2.09	\$ 1.46
Cash Dividends Per Share	\$ 5.80	\$ 0.43	\$ 0.33



STURM, RUGER & COMPANY, INC.

Statements of Cash Flows  
(Dollars in thousands)

<i>Year ended December 31,</i>	<b>2012</b>	2011	2010
<b>Operating Activities</b>			
Net income	\$70,629	\$40,015	\$28,255
Adjustments to reconcile net income to cash provided by operating activities:			
Depreciation and amortization	14,888	12,148	9,207
Stock-based compensation	4,718	2,953	2,589
Excess and obsolescence inventory reserve	761	(234)	(1,057)
Loss (gain) on sale of assets	(944)	(26)	22
Deferred income taxes	(1,480)	8,205	493
Impairment charge	(1,134)	-	-
Changes in operating assets and liabilities:			
Trade receivables	(793)	(10,660)	(6,516)
Inventories	(6,553)	(156)	888
Trade accounts payable and accrued expenses	9,908	11,807	3,932
Employee compensation and benefits	(4,345)	3,959	(1,967)
Product liability	(689)	724	(1,060)
Prepaid expenses, other assets and other liabilities	1,947	(10,961)	(1,333)
Income taxes payable	272	(365)	(962)
Cash provided by operating activities	87,185	57,409	32,491
<b>Investing Activities</b>			
Property, plant, and equipment additions	(27,282)	(22,135)	(19,409)
Purchases of short-term investments	(59,966)	(122,978)	(164,966)
Proceeds from sales or maturities of short-term investments	59,966	175,471	163,214
Net proceeds from sale of assets	1,003	319	21
Cash (used for) provided by investing activities	(26,279)	30,677	(21,140)
<b>Financing Activities</b>			
Dividends paid	(111,523)	(8,159)	(6,317)
Tax benefit from exercise of stock options	3,474	3,855	1,923
Repurchase of common stock	-	(1,999)	(5,718)
Payment of employee withholding tax related to share-based compensation	(3,083)	(5,859)	(1,115)
Proceeds from exercise of stock options	148	-	-
Cash used for financing activities	(110,984)	(12,162)	(11,227)
(Decrease) increase in cash and cash equivalents	(50,078)	75,924	124
Cash and cash equivalents at beginning of year	81,056	5,132	5,008
Cash and cash equivalents at end of year	\$ 30,978	\$ 81,056	\$ 5,132