

**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 22, 2012**

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 22, 2012, the Company issued a press release to stockholders and other interested parties regarding financial results for the year ended December 31, 2011. 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> |
|--------------------|--------------------|
|--------------------|--------------------|

| | |
|------|---|
| 99.1 | Press release of Sturm, Ruger & Company, Inc., dated February 22, 2012, reporting the financial results for the year ended December 31, 2011. |
|------|---|

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 22, 2012



STURM, RUGER & CO., INC.

SOUTHPORT, CONNECTICUT 06890 U.S.A.

FOR IMMEDIATE RELEASE

STURM, RUGER & COMPANY, INC. REPORTS 2011 FULLY DILUTED EARNINGS OF \$2.09 PER SHARE AND DECLARES DIVIDEND OF 21.2¢ PER SHARE

SOUTHPORT, CONNECTICUT, February 22, 2012--Sturm, Ruger & Company, Inc. (NYSE-RGR), announced today that for 2011, the Company reported net sales of \$328.8 million and fully diluted earnings of \$2.09 per share, compared with sales of \$255.2 million and fully diluted earnings of \$1.46 per share in 2010.

For the fourth quarter of 2011, net sales were \$93.2 million and fully diluted earnings were 54¢ per share. For the corresponding period in 2010, net sales were \$64.1 million and fully diluted earnings were 30¢ per share.

The Company also announced today that its Board of Directors declared a dividend of 21.2¢ per share for the fourth quarter, for shareholders of record as of March 9, 2012, payable on March 23, 2012. This dividend necessarily varies every quarter because the Company pays a percent of earnings rather than a fixed amount per share. Effective with this dividend, the Company increased the percent of quarterly earnings paid out as dividends by 67%.

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

- Our earnings increased 42% in 2011, driven by the 29% growth in sales and our ongoing focus on continuous improvement in our operations.
- In 2011, new product introductions were a significant component of our sales growth as new product sales represented \$98.6 million or 30% of sales in 2011.

- The estimated sell-through of our products from independent distributors to retailers in 2011 increased 20% from 2010. During this period, National Instant Criminal Background Check System (“NICS”) background checks (as adjusted by the National Shooting Sports Foundation) increased 14%.
- Cash generated from operations during 2011 was \$57.4 million. At December 31, 2011, our cash and cash equivalents totaled \$81.1 million, an increase of \$23.5 million from December 2010. Our current ratio is 3.0 to 1 and we have no debt.
- In 2011, capital expenditures totaled \$22.1 million, much of it related to tooling and equipment for new products. We expect to invest approximately \$20 million for capital expenditures during 2012.
- At December 31, 2011, stockholders’ equity was \$137.4 million, which equates to a book value of \$7.20 per share, of which \$4.25 per share was cash and equivalents.
- In 2011, we returned \$10.2 million to our shareholders through the following:
 - Payment of \$8.2 million of dividends, and
 - Repurchase of 133,400 shares of our common stock in the open market at an average price of \$14.94 per share, for a total of \$2.0 million.
- In May 2011, the Company announced the Ruger Million Gun Challenge to benefit the National Rifle Association. Ruger pledged to donate \$1 to the NRA for every Ruger firearm sold from April 2011 through March 2012, with the goal of selling one million Ruger firearms and donating \$1 million to the NRA. Through December 2011, Ruger has donated \$871,100 to the NRA.

Today, the Company filed its Annual Report on Form 10-K for 2011. 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 and the Ruger website at 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> | 2011 | 2010 |
|---|-------------|-----------|
| Assets | | |
| Current Assets | | |
| Cash and cash equivalents | \$ 81,056 | \$ 5,132 |
| Short-term investments | - | 52,493 |
| Trade receivables, net | 42,225 | 31,565 |
| Gross inventories | 49,004 | 48,820 |
| Less LIFO reserve | (37,476) | (37,448) |
| Less excess and obsolescence reserve | (1,311) | (1,545) |
| Net inventories | 10,217 | 9,827 |
| Deferred income taxes | 5,776 | 4,780 |
| Prepaid expenses and other current assets | 6,968 | 1,427 |
| Total Current Assets | 146,242 | 105,224 |
| Property, Plant, and Equipment | 169,142 | 150,379 |
| Less allowances for depreciation | (116,195) | (107,458) |
| Net property, plant and equipment | 52,947 | 42,921 |
| Deferred income taxes | 32 | 5,443 |
| Other assets | 7,289 | 4,173 |
| Total Assets | \$206,510 | \$157,761 |

STURM, RUGER & COMPANY, INC.

| <i>December 31,</i> | 2011 | 2010 |
|---|------------------|------------------|
| Liabilities and Stockholders' Equity | | |
| Current Liabilities | | |
| Trade accounts payable and accrued expenses | \$ 28,592 | \$ 16,492 |
| Product liability | 1,305 | 449 |
| Employee compensation and benefits | 14,882 | 10,923 |
| Workers' compensation | 4,600 | 4,893 |
| Income taxes payable | 217 | 582 |
| Total Current Liabilities | 49,596 | 33,339 |
| Accrued pension liability | 19,082 | 9,369 |
| Product liability | 441 | 573 |
| 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 | | |
| 2011 – 23,382,566 issued, | | |
| 19,083,132 outstanding | | |
| 2010 – 23,003,285 issued, | | |
| 18,837,251 outstanding | 23,383 | 23,003 |
| Additional paid-in capital | 10,454 | 9,885 |
| Retained earnings | 168,981 | 137,125 |
| Less: Treasury stock – at cost | | |
| 2011 – 4,299,434 shares | | |
| 2010 – 4,166,034, shares | (37,884) | (35,885) |
| Accumulated other comprehensive loss | (27,543) | (19,648) |
| Total Stockholders' Equity | 137,391 | 114,480 |
| Total Liabilities and Stockholders' Equity | \$206,510 | \$157,761 |

STURM, RUGER & COMPANY, INC.

Statements of Income

(In thousands, except per share data)

| <i>Year ended December 31,</i> | 2011 | 2010 | 2009 |
|--|-------------|-----------|-----------|
| Net firearms sales | \$324,200 | \$251,680 | \$266,566 |
| Net castings sales | 4,616 | 3,526 | 4,419 |
| Total net sales | 328,816 | 255,206 | 270,985 |
| Cost of products sold | 217,058 | 171,224 | 183,380 |
| Gross profit | 111,758 | 83,982 | 87,605 |
| Operating Expenses: | | | |
| Selling | 28,691 | 23,517 | 21,822 |
| General and administrative | 20,970 | 16,652 | 20,387 |
| Other operating (income) expenses, net | (319) | 420 | 1,492 |
| Total operating expenses | 49,342 | 40,589 | 43,701 |
| Operating income | 62,416 | 43,393 | 43,904 |
| Other income: | | | |
| Royalty income | 873 | 429 | 490 |
| Interest income | 29 | 48 | 118 |
| Interest expense | (110) | (143) | (158) |
| Other income, net | 308 | 422 | 6 |
| Total other income, net | 1,100 | 756 | 456 |
| Income before income taxes | 63,516 | 44,149 | 44,360 |
| Income taxes | 23,501 | 15,894 | 16,857 |
| Net income | \$ 40,015 | \$28,255 | \$ 27,503 |
| Basic Earnings Per Share | \$ 2.12 | \$ 1.48 | \$ 1.44 |
| Fully Diluted Earnings Per Share | \$ 2.09 | \$ 1.46 | \$ 1.42 |
| Cash Dividends Per Share | \$ 0.43 | \$ 0.33 | \$ 0.31 |

STURM, RUGER & COMPANY, INC

Statements of Cash Flows
(In thousands)

| <i>Year ended December 31,</i> | 2011 | 2010 | 2009 |
|---|-------------|-----------|-----------|
| Operating Activities | | | |
| Net income | \$40,015 | \$28,255 | \$ 27,503 |
| Adjustments to reconcile net income to cash provided by operating activities: | | | |
| Depreciation | 12,148 | 9,207 | 7,300 |
| Stock-based compensation | 2,953 | 2,589 | 4,205 |
| Slow moving inventory valuation adjustment | (234) | (1,057) | 239 |
| Loss (gain) on sale of assets | (26) | 22 | (45) |
| Deferred income taxes | 8,205 | 493 | 2,060 |
| Changes in operating assets and liabilities: | | | |
| Trade receivables | (10,660) | (6,516) | 760 |
| Inventories | (156) | 888 | 2,042 |
| Trade accounts payable and accrued expenses | 11,807 | 3,932 | 2,150 |
| Employee compensation and benefits | 3,959 | (1,967) | 4,896 |
| Product liability | 724 | (1,060) | 339 |
| Prepaid expenses, other assets and other liabilities | (10,961) | (1,333) | (2,132) |
| Income taxes payable | (365) | (962) | (2,628) |
| Cash provided by operating activities | 57,409 | 32,491 | 46,689 |
| Investing Activities | | | |
| Property, plant, and equipment additions | (22,135) | (19,409) | (13,819) |
| Purchases of short-term investments | (122,978) | (164,966) | (77,281) |
| Proceeds from sales or maturities of short-term investments | 175,471 | 163,214 | 45,098 |
| Net proceeds from sale of assets | 319 | 21 | 51 |
| Cash provided by (used for) investing activities | 30,677 | (21,140) | (45,951) |
| Financing Activities | | | |
| Dividends paid | (8,159) | (6,317) | (5,816) |
| Tax benefit from exercise of stock options | 3,855 | 1,923 | 1,442 |
| Repurchase of common stock | (1,999) | (5,718) | (14) |
| Payment of employee withholding tax related to share-based compensation | (5,859) | (1,115) | (30) |
| Repayment of line of credit | - | - | (1,000) |
| Cash used for financing activities | (12,162) | (11,227) | (5,418) |
| Increase (decrease) in cash and cash equivalents | 75,924 | 124 | (4,680) |
| Cash and cash equivalents at beginning of year | 5,132 | 5,008 | 9,688 |
| Cash and cash equivalents at end of year | \$ 81,056 | \$ 5,132 | \$ 5,008 |