

**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)
April 29, 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 April 29, 2013, the Company issued a press release to stockholders and other interested parties regarding financial results for the first quarter ended March 30, 2013. 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 8.01 Other Events

The Company is furnishing a letter made available to its shareholders on April 29, 2013 (the “Letter to Shareholders”). The text of the Letter to Shareholders is attached as Exhibit 99.2 to this Current Report on Form 8-K and shall not be deemed to be “filed” for the purpose of Section 18 of the Securities Exchange Act of 1934 or otherwise subject to the liabilities of that section. This disclosure of the Letter to Shareholders on this Current Report on Form 8-K will not be deemed an admission as to the materiality of any information in the Report that is required to be disclosed by Regulation FD.

The Company does not have, and expressly disclaims, any obligation to release publicly any updates or any changes in the Letter to Shareholders or its expectations or any change in events, conditions, or circumstances on which any forward-looking statement is based.

The Letter to Shareholders is available on the Company’s website at www.ruger.com/corporate/. The Company reserves the right to discontinue that availability at any time.

Item 9.01 Financial Statements and Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press release of Sturm, Ruger & Company, Inc., dated April 29, 2013, reporting the financial results for the first quarter ended March 30, 2013.
99.2	Letter to Shareholders made available to shareholders on April 29, 2013.

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: April 29, 2013



STURM, RUGER & CO., INC.

1 LACEY PLACE, SOUTHPORT, CT 06890 U.S.A. • (203) 259-7843 • WWW.RUGER.COM • RGR

FOR IMMEDIATE RELEASE

STURM, RUGER & COMPANY, INC. REPORTS FIRST QUARTER FULLY DILUTED EARNINGS OF \$1.20 PER SHARE AND DIVIDEND OF 49¢ PER SHARE

SOUTHPORT, CONNECTICUT, April 29, 2013--Sturm, Ruger & Company, Inc. (NYSE-RGR) announced today that for the first quarter of 2013 the Company reported net sales of \$155.9 million and fully diluted earnings of \$1.20 per share, compared with net sales of \$112.3 million and fully diluted earnings of 79¢ per share in the first quarter of 2012.

The Company also announced today that its Board of Directors declared a dividend of 49¢ per share for the first quarter, for shareholders of record as of May 10, 2013, payable on May 24, 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 53% from the first quarter of 2012, driven by the 39% 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 \$53.3 million or 35% of firearm sales in the first quarter of 2013. New product introductions in the first quarter of 2013 included the LC380 pistol and the SR45 pistol.

- The estimated sell-through of our products from independent distributors to retailers in the first quarter of 2013 increased 12% from the first quarter of 2012. This estimated unit sell-through was effectively limited to first quarter production because distributor inventory totaled only 59,200 units at December 31, 2012. For reference, at December 31, 2011, the distributor inventory totaled 135,600 units, allowing Q1 2012 sell-through to exceed Q1 2012 production by 22%. During the first quarter of 2013, National Instant Criminal Background Check System (“NICS”) background checks (as adjusted by the National Shooting Sports Foundation) increased 46%.
- Cash generated from operations during the first quarter of 2013 was \$30.4 million. At March 30, 2013, our cash and cash equivalents totaled \$45.6 million. Our current ratio is 1.6 to 1 and we have no debt.
- In the first quarter of 2013, capital expenditures totaled \$7.7 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 the first quarter of 2013, the Company returned \$7.8 million to its shareholders through the payment of dividends.
- At March 30, 2013, stockholders’ equity was \$111.6 million, which equates to a book value of \$5.78 per share, of which \$2.36 per share was cash and equivalents.

Today, the Company filed its Quarterly Report on Form 10-Q for the first quarter of 2013. The financial statements included in this Quarterly Report on Form 10-Q are attached to this press release.

Tomorrow, April 30, 2013, Sturm, Ruger will host a webcast at 12:00 p.m. EDT of its Annual Meeting of Stockholders. Interested parties can access the webcast at www.ruger.com/corporate or www.earnings.com or by dialing [800-295-4740](tel:800-295-4740), participant code [60546881](http://www.ruger.com/corporate).

The Quarterly Report on Form 10-Q 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 Quarterly Report on Form 10-Q 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.

CONDENSED BALANCE SHEETS

(Dollars in thousands)

	March 30, 2013	December 31, 2012
Assets		
Current Assets		
Cash	\$ 45,611	\$ 30,978
Trade receivables, net	59,482	43,018
Gross inventories	54,275	55,827
Less LIFO reserve	(38,221)	(38,089)
Less excess and obsolescence reserve	(1,964)	(1,729)
Net inventories	14,090	16,009
Deferred income taxes	7,521	5,284
Prepaid expenses and other current assets	1,101	1,632
Total Current Assets	127,805	96,921
Property, plant and equipment	203,256	195,713
Less allowances for depreciation	(133,821)	(129,720)
Net property, plant and equipment	69,435	65,993
Deferred income taxes	2,451	2,004
Other assets	11,784	9,568
Total Assets	\$211,475	\$174,486

STURM, RUGER & COMPANY, INC.

CONDENSED BALANCE SHEETS (Continued)

(Dollars in thousands, except share data)

	March 30, 2013	December 31, 2012
Liabilities and Stockholders' Equity		
Current Liabilities		
Trade accounts payable and accrued expenses	\$ 41,461	\$ 38,500
Product liability	991	720
Employee compensation and benefits	19,163	15,182
Workers' compensation	4,475	4,600
Income taxes payable	14,622	489
Total Current Liabilities	80,712	59,491
Accrued pension liability	18,873	19,626
Product liability	252	337
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 2013 – 23,618,934 issued, 19,319,500 outstanding 2012 – 23,562,422 issued, 19,262,988 outstanding	23,619	23,563
Additional paid-in capital	16,470	15,531
Retained earnings	139,053	123,442
Less: Treasury stock – at cost 2013 and 2012 – 4,299,434 shares	(37,884)	(37,884)
Accumulated other comprehensive loss	(29,620)	(29,620)
Total Stockholders' Equity	111,638	95,032
Total Liabilities and Stockholders' Equity	\$211,475	\$174,486

STURM, RUGER & COMPANY, INC.

CONDENSED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME (UNAUDITED)
(In thousands, except per share data)

	Three Months Ended	
	March 30, 2013	March 31, 2012
Net firearms sales	\$153,440	\$110,787
Net castings sales	2,465	1,550
Total net sales	155,905	112,337
Cost of products sold	94,596	70,544
Gross profit	61,309	41,793
Operating expenses:		
Selling	15,764	10,999
General and administrative	8,443	6,378
Total operating expenses	24,207	17,377
Operating income	37,102	24,416
Other income:		
Interest expense, net	(16)	(23)
Other income, net	265	178
Total other income, net	249	155
Income before income taxes	37,351	24,571
Income taxes	13,633	9,091
Net income and comprehensive income	\$23,718	\$ 15,480
Basic earnings per share	\$1.23	\$0.81
Fully diluted earnings per share	\$1.20	\$0.79
Cash dividends per share	\$0.404	\$0.212

STURM, RUGER & COMPANY, INC.

CONDENSED STATEMENTS OF CASH FLOWS (UNAUDITED)

(Dollars in thousands)

	Three Months Ended	
	March 30, 2013	March 31, 2012
Operating Activities		
Net income	\$ 23,718	\$ 15,480
Adjustments to reconcile net income to cash provided by operating activities:		
Depreciation and amortization	4,501	3,388
Slow moving inventory valuation adjustment	235	(53)
Stock-based compensation	1,330	928
Gain on sale of assets	(70)	-
Deferred income taxes	(2,684)	(1,365)
Changes in operating assets and liabilities:		
Trade receivables	(16,464)	(6,801)
Inventories	1,684	2,649
Trade accounts payable and accrued expenses	2,836	2,611
Employee compensation and benefits	3,678	(4,238)
Product liability	186	(65)
Prepaid expenses, other assets and other liabilities	(2,676)	5,119
Income taxes payable	14,133	4,188
Cash provided by operating activities	30,407	21,841
Investing Activities		
Property, plant and equipment additions	(7,705)	(3,047)
Proceeds from sale of assets	70	-
Purchases of short-term investments	-	(19,994)
Cash used for investing activities	(7,635)	(23,041)
Financing Activities		
Tax benefit from exercise of stock options	1,747	922
Remittance of taxes withheld from employees related to share-based compensation	(2,082)	(884)
Dividends paid	(7,804)	(4,059)
Cash used for financing activities	(8,139)	(4,021)
Increase (decrease) in cash and cash equivalents	14,633	(5,221)
Cash and cash equivalents at beginning of period	30,978	81,056
Cash and cash equivalents at end of period	\$ 45,611	\$ 75,835



STURM, RUGER & COMPANY, INC.

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April 29, 2013

Dear Shareholders,

2012 was another year of improving results, but the year ended on a very sad note with the shootings at the Sandy Hook Elementary School. All of us at Ruger are deeply saddened by the horrible, criminal events that took place at the elementary school in Newtown, Connecticut. Newtown is only a short distance from our headquarters and we have employees who live around Newtown and have family, friends and acquaintances that were affected. Our thoughts and prayers go out to the families and the victims of this terrible tragedy.

The National Shooting Sports Foundation, which does a commendable job representing our industry, is working hard to encourage legislators to fix the National Instant Criminal Background Check System (NICS) by ensuring all appropriate criminal and adjudicated mental health records are entered into the system. Additionally, they are working to provide law enforcement with additional tools needed to arrest and prosecute illegal firearms traffickers and straw purchasers, and to urge effective, consistent enforcement of existing laws. Their goal is to dramatically reduce the criminal misuse of guns without infringing our Constitutional rights or unduly burdening our industry. We fully support their initiatives.

2012 Results

We achieved net sales of \$491.8 million and earnings of \$3.60 per share in 2012, compared with sales of \$328.8 million and earnings of \$2.09 per share in 2011. These are year-over-year increases of 50% and 72%, respectively.

The first quarter of 2013 was also strong, with net sales of \$155.9 million and earnings of \$1.20 per share, compared with net sales of \$112.3 million and earnings of 79¢ per share in the first quarter of 2012. These are year-over-year increases of 39% and 53%, respectively.

Market Conditions

Overall consumer demand for firearms was strong throughout 2012, and increased approximately 28% from 2011 to 2012¹. The strongest demand was for handguns, especially handguns appropriate for self-defense. Many other market segments also appeared to do well, including revolvers, bolt-action rifles, modern sporting rifles, and other semi-automatic rifles.

¹ Estimate based on the trend in National Instant Criminal Background Check System background checks (NICS), as adjusted by the National Shooting Sports Foundation (NSSF) to eliminate background checks associated with permit applications and renewals rather than firearms sales.

The estimated unit sell-through of our products from the independent distributors to retailers in 2012 increased by 63% from 2011. Because this 63% growth exceeded the 28% increase in adjusted NICS background checks during 2012, we believe we gained market share in 2012.

During the first quarter of 2013, the estimated unit sell-through of our products from the independent distributors to retailers increased 12% from the first quarter of 2012. This estimated unit sell-through was effectively limited to the amount of first quarter production because distributor inventory totaled only 59,200 units at December 31, 2012. For reference, at December 31, 2011, the distributor inventory totaled 135,600 units, allowing Q1 2012 sell-through to exceed Q1 2012 production by 22%. During the first quarter of 2013, National Instant Criminal Background Check System (“NICS”) background checks (as adjusted by the National Shooting Sports Foundation) increased 46% compared to the first quarter of 2012.

During the first quarter of 2013, the Company limited the incoming orders from the independent distributors to mitigate the growth of the backlog. This action was necessary due to the following:

- Strong demand from consumers, coupled with the current political climate, resulted in unprecedented levels of orders from retailers to distributors during the distributor show season, and
- Our backlog at December 31, 2012, which totaled 1.5 million units, already represented approximately nine months of production capacity at our current build rates, despite the significant year-over-year increase in our capacity. For reference, the backlog at December 31, 2011 was 337,000 units.

As a result, net orders received in the first quarter of 2013 decreased 11% from the comparable prior year period. Despite this decrease in orders received, our ending backlog of 2.1 million units is 900,000 units greater, or nearly double, the backlog at March 31, 2012.

New product introductions are an important driver of demand. In 2012, we launched the SR22 Pistol, Ruger American Rifle, 10/22 Take Down, 22/45 Lite, and the Single-Nine single-action revolver. In 2013 we have launched the LC380 pistol and the SR45 pistol. New products resulted in sales of \$182 million or approximately 38% of sales for 2012² and sales of \$53 million in Q1 of 2103 or approximately 35% of sales for the quarter.

We remain committed to developing and introducing innovative new products in growth segments of our market. This is the first of the two core elements of our strategy.

Manufacturing

New product introductions have not only driven demand, but they also have driven our capital equipment and manufacturing space needs. Over the last six years, the Company, through its lean initiatives, has approximately quadrupled its rate of production in the same, fixed amount of space. We are running out of space, however, so in anticipation of additional space requirements for future new product introductions, the Company has embarked on a search for a third manufacturing facility.

In 2012, we expanded capacity for certain mature products, introduced new capacity for new product introductions, and increased unit production by 52% from 2011. During this time inventory turns were increased, helping the Company avoid approximately \$15 million of inventory growth.

² New product sales include only those major new products that were introduced with the past 24 months.

During the first quarter of 2013, we increased unit production by 33% from the first quarter of 2012, and by 9% from the fourth quarter of 2012.

Our implementation of lean methodologies in all areas of our business continues, and we are hopeful of further improvements in the years to come that will free up assets (cash, people, space, and capacity) that we can invest in top-line growth. This is second of the two core elements of our strategy.

Liquidity, Capital Expenditures, and our Dividend Practice

2012 was a good year in terms of cash flow, as \$87.2 million of cash was generated from operations. The first quarter of 2013 also had strong cash flow, with \$30.4 million generated from operations. As a result, our balance sheet remains very healthy, with approximately \$45.6 million in cash and equivalents and no debt. Additionally, our accounts receivable balance is 99% current.

In 2012, capital expenditures totaled \$27.3 million. Of this amount, approximately two-thirds was for new products and capacity expansion. The remaining capital was deployed primarily to maintain and upgrade older manufacturing equipment and to support our facilities. Our depreciation in 2012 was approximately \$14.5 million, so we had about \$13 million of capital expenditures in excess of depreciation. This \$13 million represented only a 7% increase in our gross Plant, Property, and Equipment and, combined with our lean efforts, helped us achieve the 52% increase in unit production in 2012.

We expect to invest approximately \$30 million for capital expenditures during 2013. During the first quarter of 2013, we invested \$8 million, much of it related to tooling and equipment for new products.

During the first quarter of 2013, our finished goods inventory decreased to 16,900 units, valued at \$4.5 million, and remains well below optimal levels to support rapid order fulfillment. We anticipate that our finished goods inventory could increase by as much as \$15 million from the current level if we could attain the desired level of finished goods inventory.

During the past 12 months, Ruger paid quarterly dividends totaling \$28.6 million to our shareholders based on our 2012 results of operations. Our dividend practice bears some explanation because it is uncommon, but we think it benefits our shareholders and protects Ruger from issuing dividends disproportionate to our earnings during periods of rapidly changing market conditions. Our quarterly dividends are based on a percentage of earnings each quarter and therefore the amount paid varies every quarter. We feel that this approach benefits our shareholders as it tracks our performance from quarter to quarter, allowing the dividend to better reflect our results than a fixed dividend amount per share.

In December of 2012, we paid a special dividend of \$4.50 per share, which totaled \$86.7 million. This special dividend was in keeping with the commitment we made at the Annual Meeting in 2007, when we said that we would find good uses for our cash or return it to shareholders. Since then, we have invested \$104 million in the Company's growth and returned \$178 million to shareholders in the form of stock repurchases, quarterly dividends, and the special dividend. During this same period we increased firearm sales to 3.5x and EPS to 90x the levels reported then.

We did not repurchase any shares in 2012 or the first quarter of 2013. At the end of the first quarter of 2013, \$8.0 million remained authorized and available for share repurchases and 19.3 million shares remain outstanding. We believe that stock repurchases are attractive to the Company when the stock is trading at price-to-earnings multiples that are below historical averages for the Company and the Company has cash on hand.

Ruger has financed its working capital growth, its investment in capital equipment and new product development, its share repurchases, and its dividends with cash from operations.

Summary

I am optimistic about the opportunities for Ruger to grow and prosper. Ruger has a popular brand, a strong balance sheet, hard-working dedicated employees, and an experienced and engaged Board of Directors. We have a simple but effective strategy: to use new product introductions to spur demand and to adopt lean methodologies throughout the business to enable us to more efficiently fulfill that demand.

We have made significant progress in improving the sales and earnings of Ruger. This effort to improve the fundamentals of our business and to broaden our product line into growth segments will be ongoing and the road may not always be smooth, especially given the many economic and political factors that may affect our industry. Nonetheless, we anticipate the execution of our strategy will continue to deliver enhanced shareholder value over time.



Michael O. Fifer
Chief Executive Officer

Certain information relating to projection of the Company's future results is forward-looking and involves risks, uncertainties and assumptions that could cause actual future results to materially differ from the forward-looking information. A discussion of some of the factors that individually or in the aggregate we believe could make our actual future results differ materially from such projections can be found under Item 1A Risk Factors in our Annual Report on Form 10-K filed with the SEC in February 2013. Our quarterly and annual SEC filings are available on the internet at www.sec.gov and www.ruger.com/corporate/.