



STURM, RUGER & CO., INC.

2011 Annual Meeting

Caution: Forward Looking Statements

Statements made in the course of this meeting that state the Company's or Management's intentions, hopes, beliefs, expectations or predictions of the future are forward-looking statements. It is important to note that the Company's actual results could differ materially from those projected in such forward-looking statements. Additional information concerning factors that could cause actual results to differ materially from those in the forward-looking statements is contained from time to time in the Company's SEC filings, including but not limited to the Company's reports on Form 10-K for the year ended December 31, 2010 and Form 10-Q for the fiscal quarter ended April 2, 2011. Copies of these documents may be obtained by contacting the Company or the SEC or on the Company website at www.ruger.com/corporate/ or the SEC website at www.sec.gov. Furthermore, the Company disclaims all responsibility to update forward-looking statements.



Investment Highlights

- 62 years as one of the world's leading firearms brands.
- Experienced and engaged Board of Directors.
- Strong management team.
- Strong market position in rifles, revolvers and pistols.
- Ongoing commitment to new product development.
- We have maintained our market share gains of the past two years.
- Strong balance sheet; well positioned to take advantage of business opportunities as they arise.
- Improving fundamentals.

NYSE: RGR

Shares Outstanding: 18.9 Million

Price: \$20.94 (4/25/11)

Market Capitalization: \$395 Million



Company Profile

- Trailing 12-month sales: \$262 million, EPS: \$1.46 (ending 4/2/11).
- Manufacturing facilities in Newport, NH and Prescott, AZ.
- Engineering satellite office in Enfield, CT.
- Corporate office in Southport, CT.
- 1,200 non-union employees, plus 100-150 temporary employees.
- Investment castings division.
- Firearms Products:

Rifles

Single-Shot
Autoloading
Bolt-Action
Modern Sporting

Pistols

Rimfire
Centerfire

Revolvers

Single-Action
Double-Action

Shotguns

Over & Under

- 2-step distribution: selling to 14 wholesale distributors.
- 287 Catalog SKUs.



Financial and Operational Highlights



Consolidated Operating Results (in Millions, except EPS)

	2011	2010			
	Q1	Q4	Q3	Q2	Q1
Revenues	\$75.4	\$64.1	\$58.4	\$64.4	\$68.3
Gross Margin	\$24.0	\$20.5	\$18.6	\$21.7	\$23.1
Operating Profit	\$12.5 16.5%	\$8.6 13.4%	\$9.3 15.9%	\$12.6 19.6%	\$12.9 18.9%
EPS	\$0.42	\$0.30	\$0.32	\$0.43	\$0.44



Comparison of Underlying Performance (in Thousands)

	2011	2010			
	Q1	Q4	Q3	Q2	Q1
Reported Operating Profit	\$12,458	\$8,569	\$9,309	\$12,637	\$12,900
Adjustments					
LIFO	(590)	(1,264)	632	(285)	(122)
O/H Rate	158	(584)	298	62	(394)
D/L Rate	156	(98)	(132)	(79)	(55)
E&O reserve	(125)	(365)	(378)	447	(761)
Frozen DB Pension Plan	-	-	-	-	400
Other	145	6	6	11	(68)
Total Adjustments	(256)	(2,305)	426	156	(1,000)
Adjusted Operating Profit	\$12,202	\$6,264	\$9,735	\$12,793	\$11,900
	16%	10%	17%	20%	17%



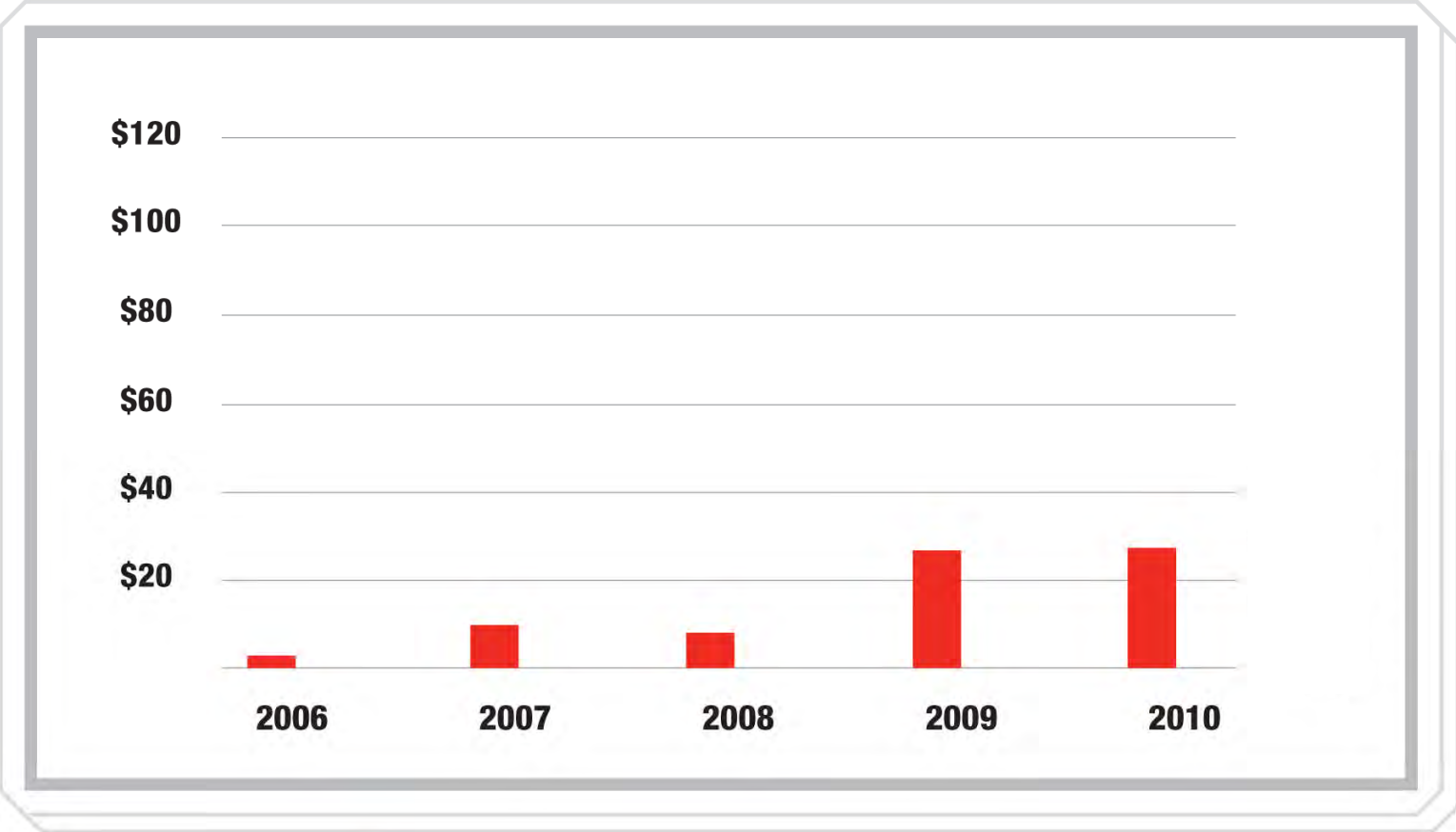
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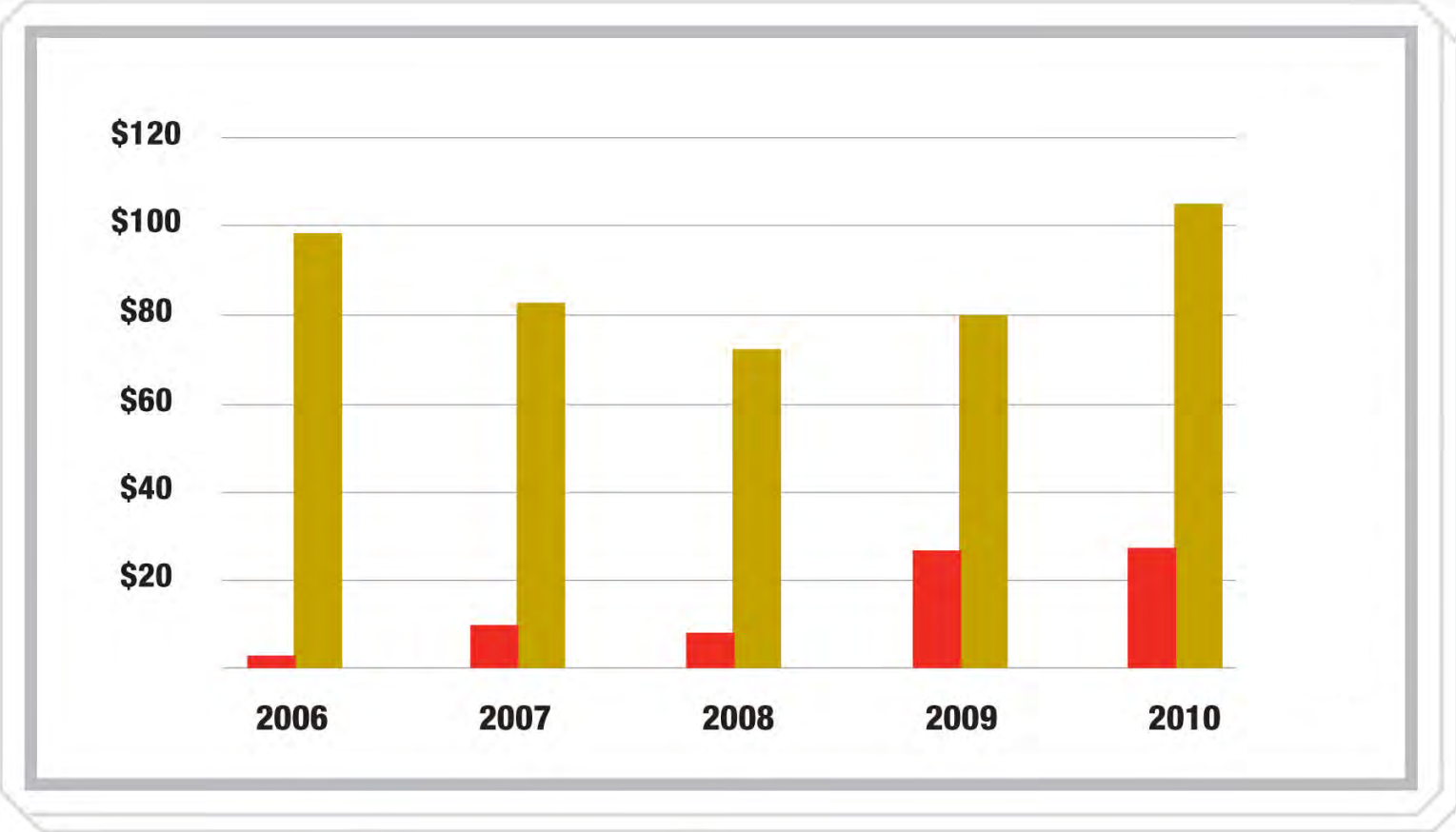
Return on Shareholders' Equity (in Millions)



 = Net Income



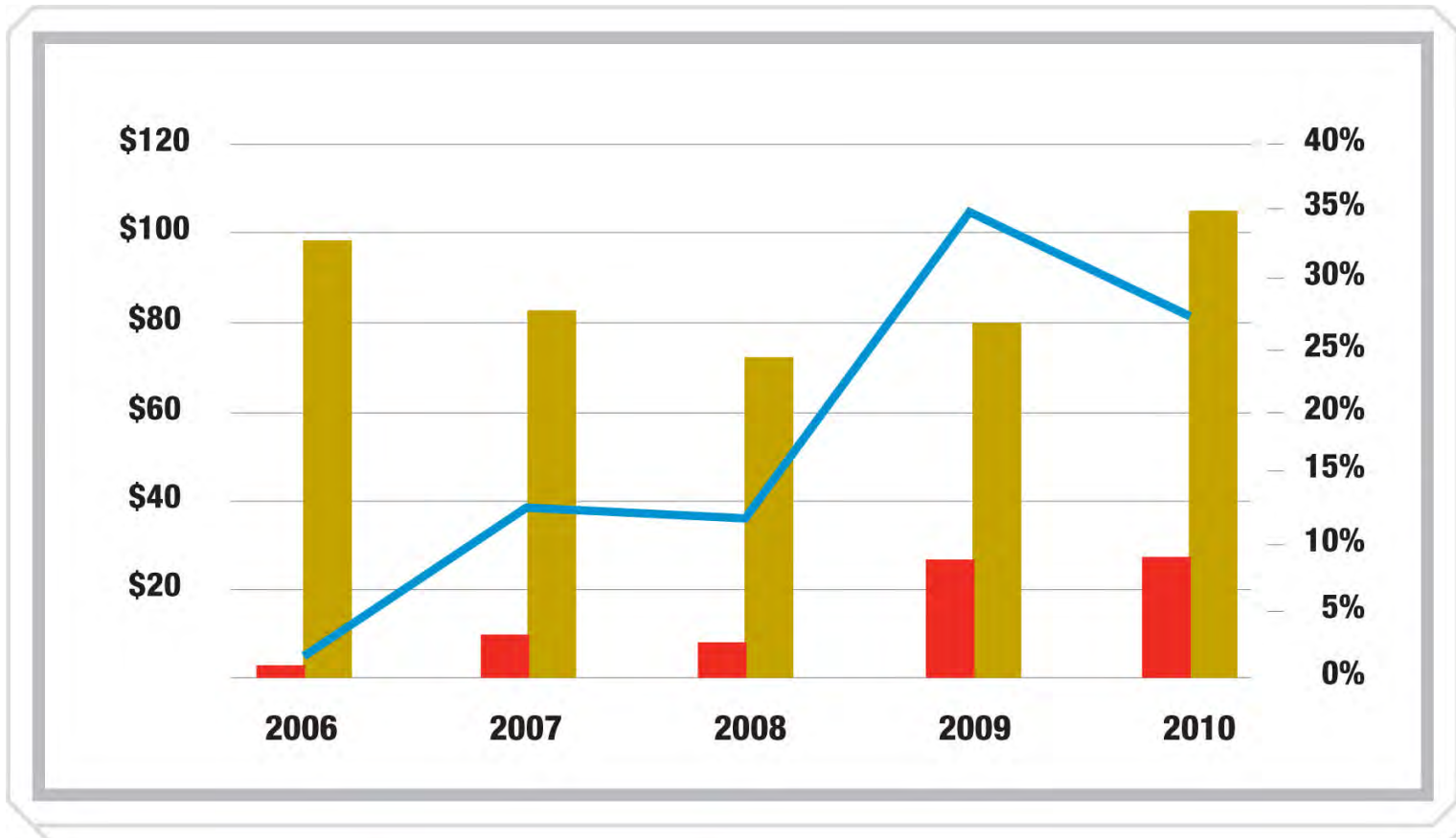
Return on Shareholders' Equity (in Millions)



■ = Net Income ■ = Equity



Return on Shareholders' Equity (in Millions)



■ = Net Income ■ = Equity — = ROE

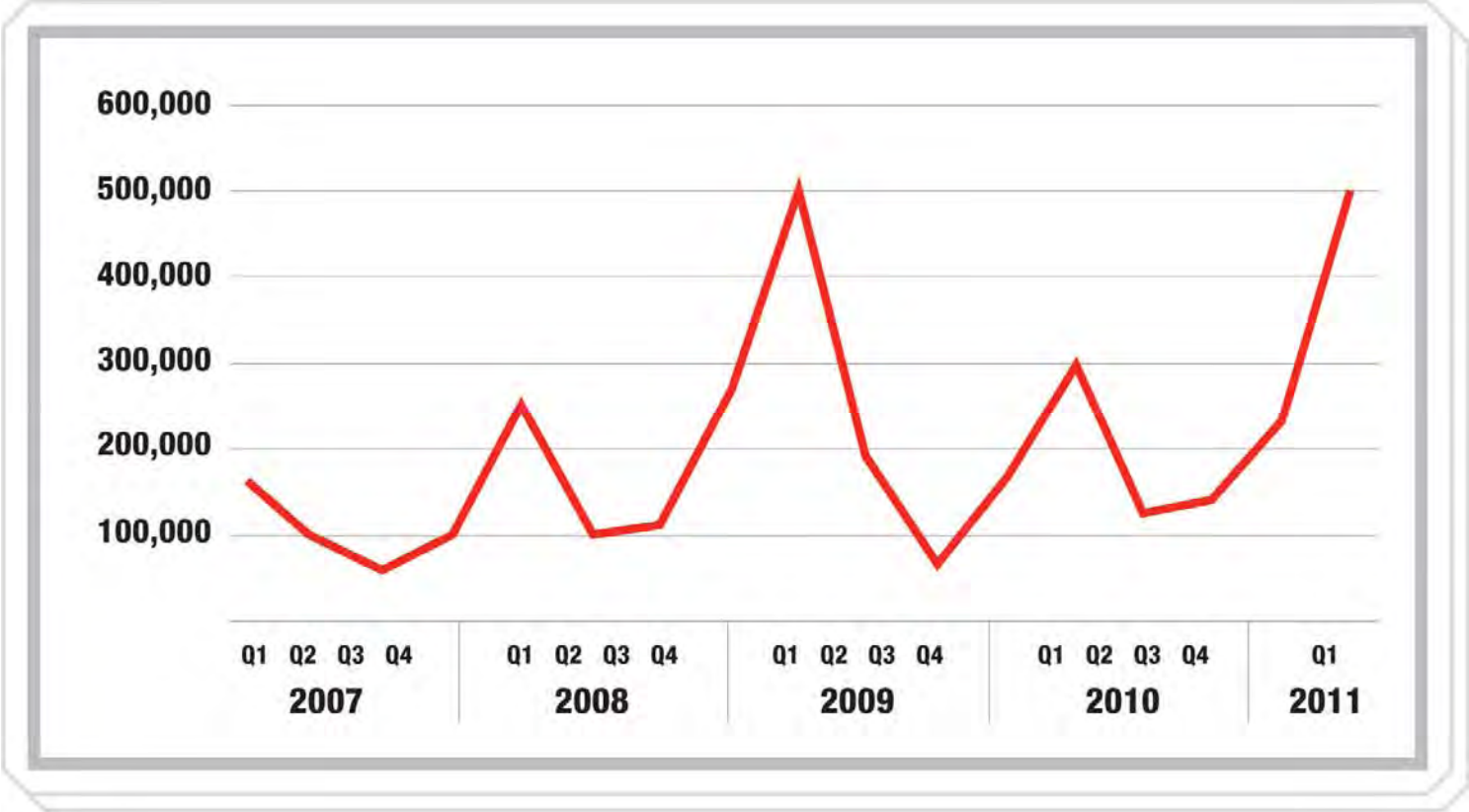


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Market Conditions

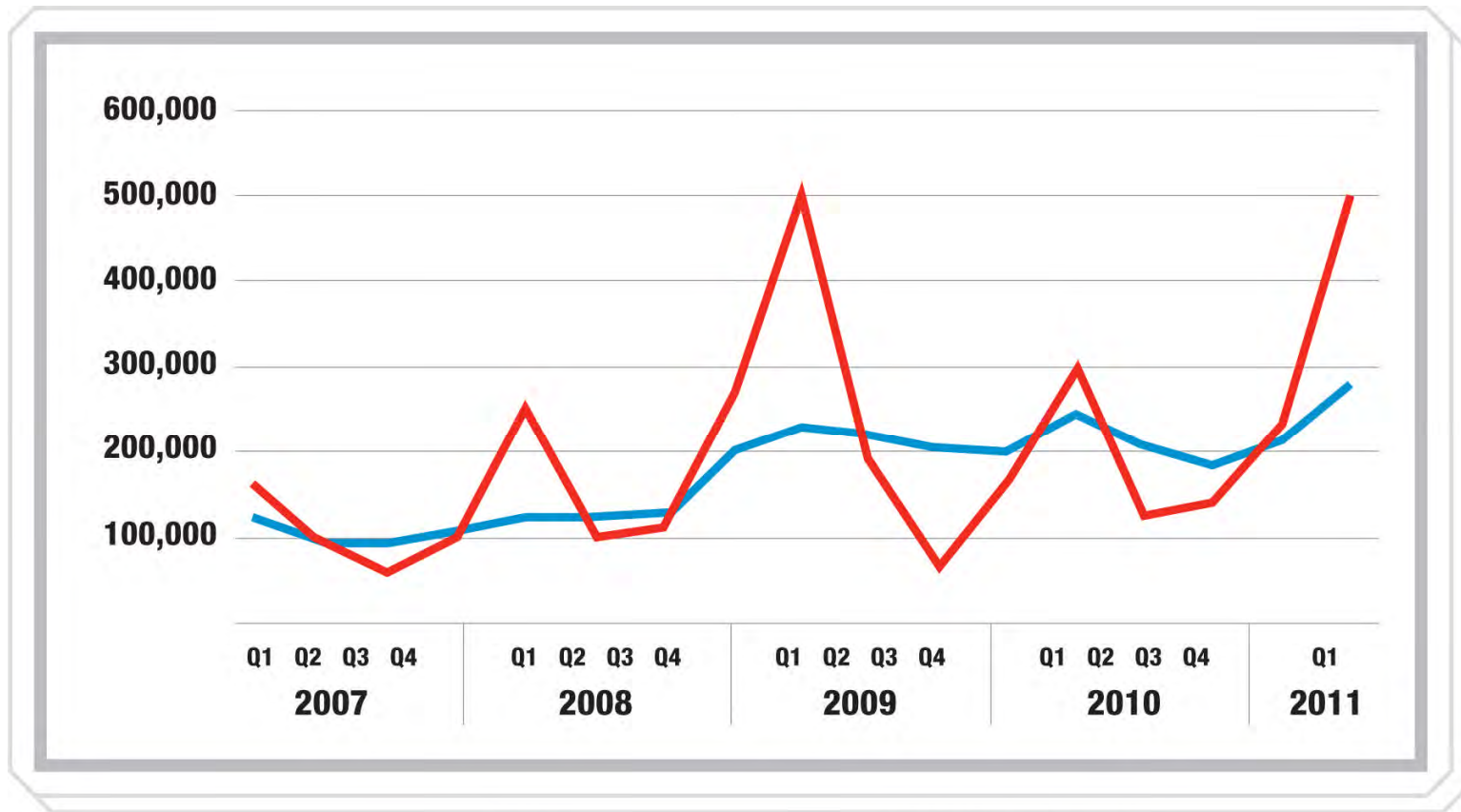


Bookings (in Units)



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Bookings & Distributor Sell-Through (in Units)



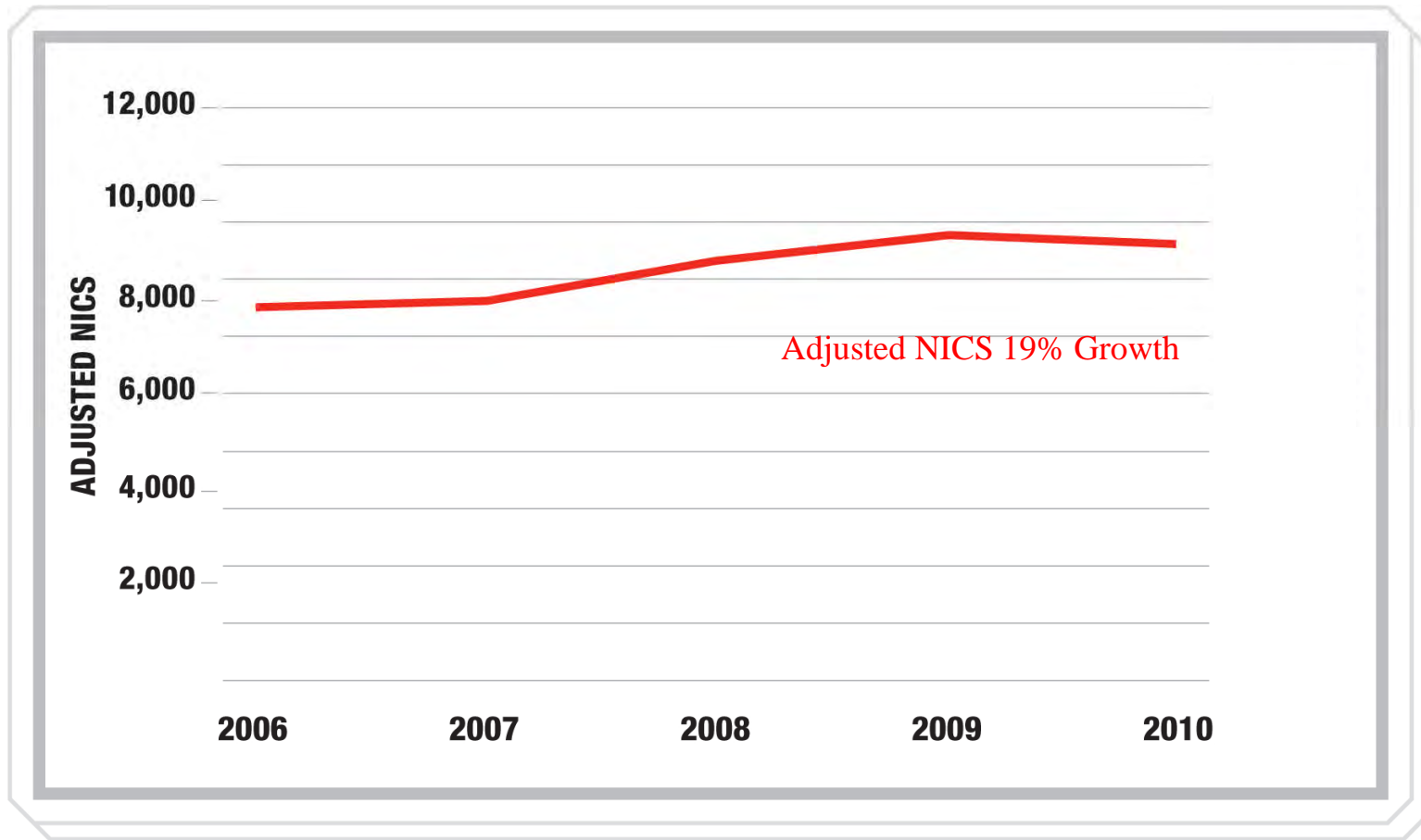
— = Bookings

— = Distributor Sell-Through



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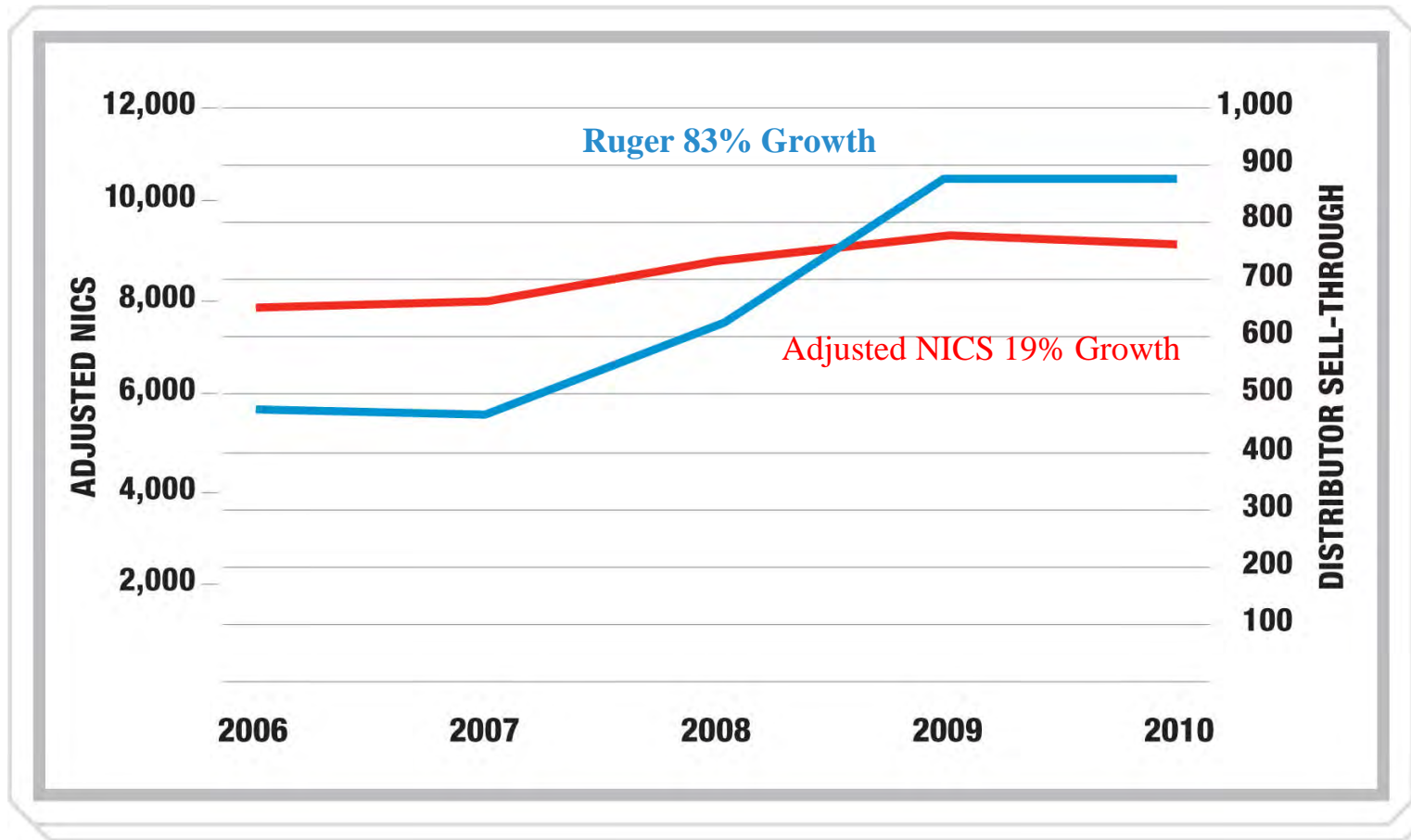
Trends in Retail Demand (in Thousands)



The adjusted National Instant Criminal Background Check System data presented above was adjusted by the National Shooting Sports Foundation to eliminate background checks associated with permit checks rather than firearm sales.



Trends in Retail Demand (in Thousands)



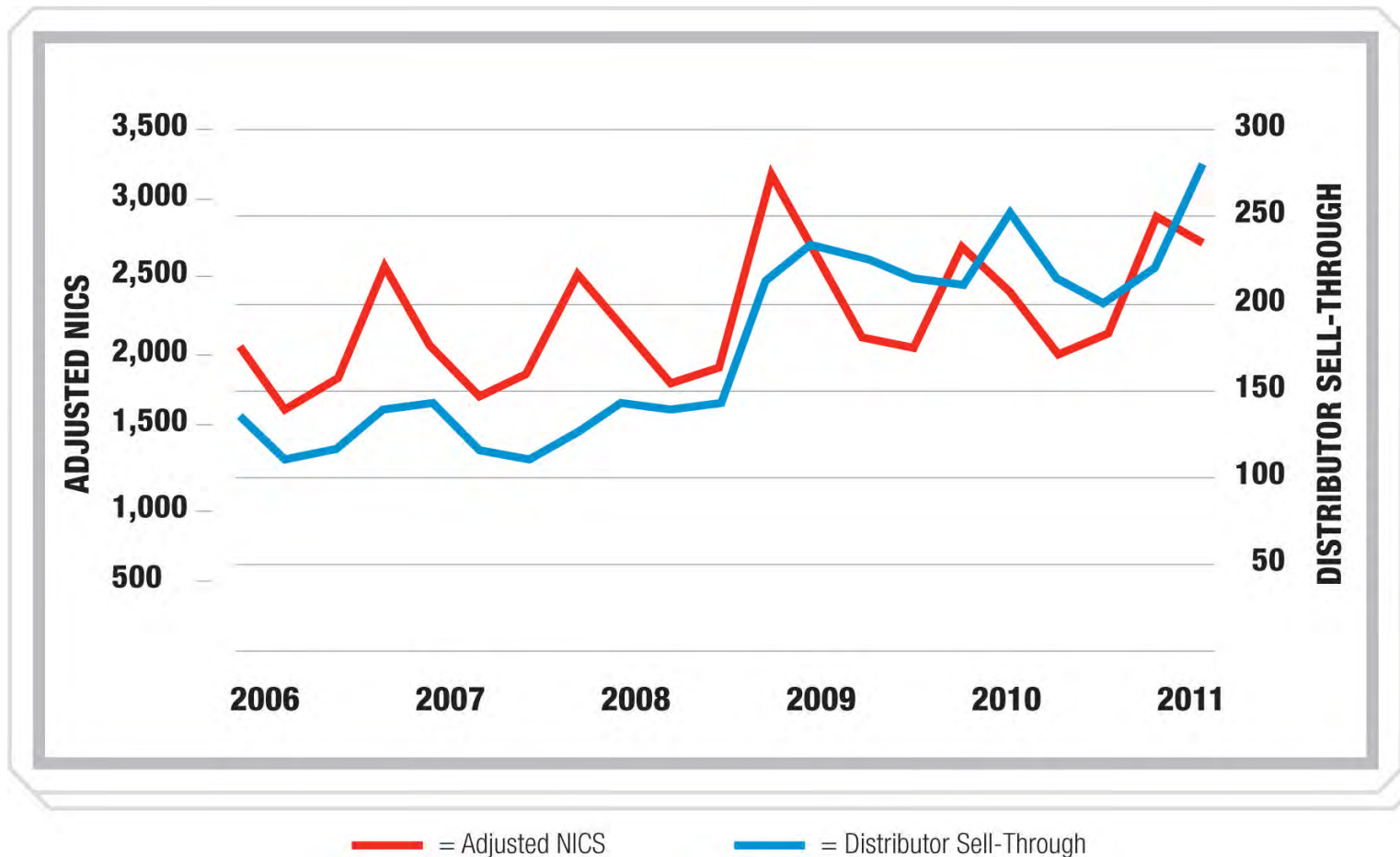
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Quarterly Trends in Retail Demand (in Thousands)



The adjusted National Instant Criminal Background Check System data presented above was adjusted by the National Shooting Sports Foundation to eliminate background checks associated with permit checks rather than firearm sales.



Market Share Movement

Product Category

2009

Single-Action Revolvers

Maintained

Double-Action Revolvers (LCR)

Gained

Rimfire Pistols

Maintained

Centerfire Full-Size (SR9)

Maintained

Centerfire Compact (LCP)

Gained

Mini-14 Rifles

Maintained

Hunting Rifles

Maintained

Rimfire Rifles

Gained

Modern Sporting Rifles (SR-556)

Gained

(Based on Management Estimates and Distributor Commentary)

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Market Share Movement

Product Category

	2009	2010
Single-Action Revolvers	Maintained	Maintained
Double-Action Revolvers (LCR)	Gained	Maintained
Rimfire Pistols	Maintained	Maintained
Centerfire Full-Size (SR9 & SR40)	Maintained	Maintained
Centerfire Compact (LCP & SR9c)	Gained	Gained
Mini-14 Rifles	Maintained	Maintained
Hunting Rifles	Maintained	Lost
Rimfire Rifles	Gained	Maintained
Modern Sporting Rifles (SR-556)	Gained	Maintained

(Based on Management Estimates and Distributor Commentary)

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New Product Development



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Highlighted New Products: 2010 & YTD 2011

3 New Platform Products

LC9 / Scout Rifle / SR1911

31 New Product Derivatives

Including the LCR-357 / SR9c / SR40

91 Distributor Specials

Including the 100th Anniversary BSA 10/22

RUGER[®]



SR9 C™



**COMPACT
PISTOL**



 **RUGER**



THE RUGER® SR40™



THE RUGER[®]
LCR-357[®]



THE RUGER®
LC9™

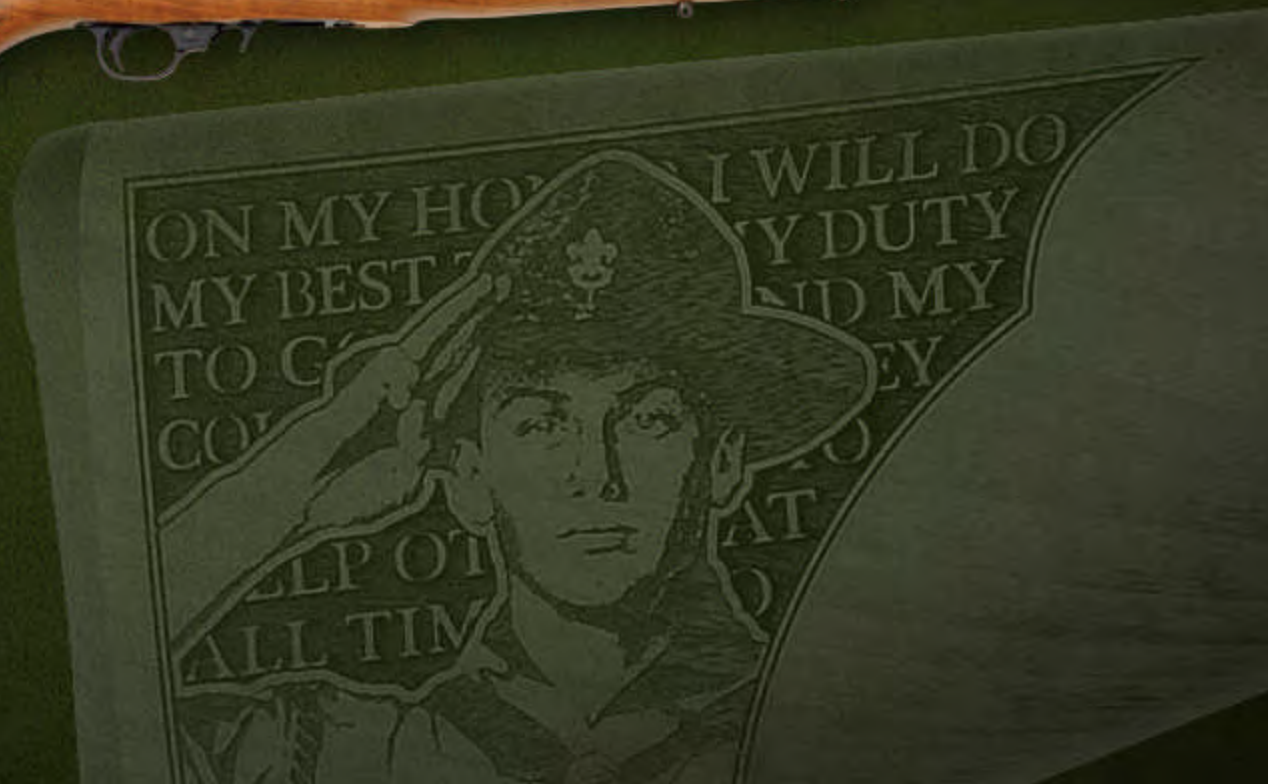


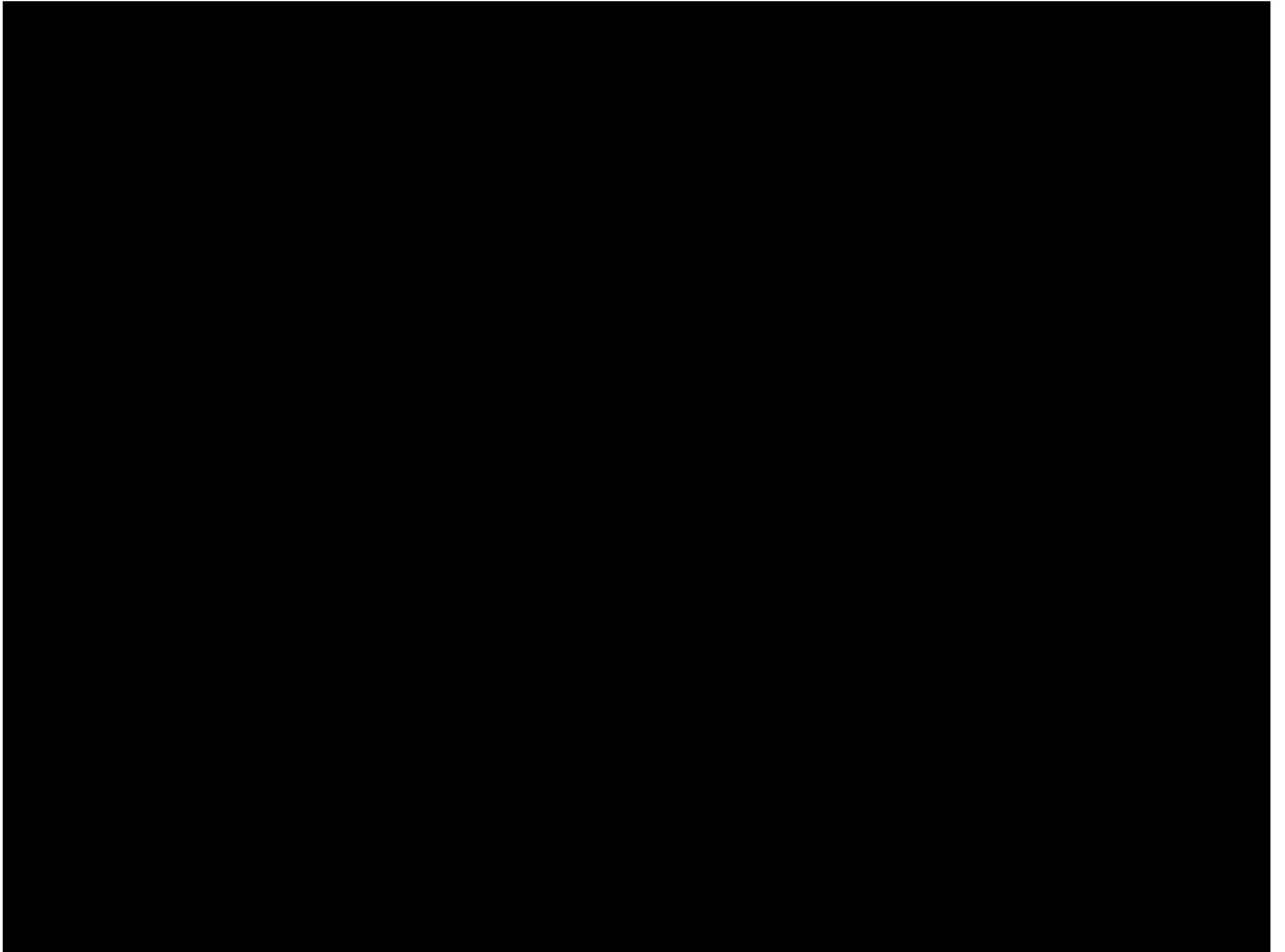
**THE RUGER® GUNSITE
SCOUT RIFLE**



THE RUGER[®]
SR1911[™]

THE **RUGER**[®] 10/22[®] BOY SCOUT[™] RIFLE





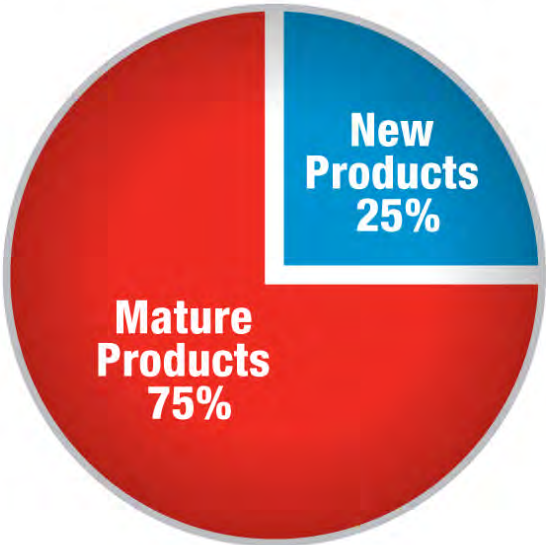
New Product Impact

2010 New Product Impact

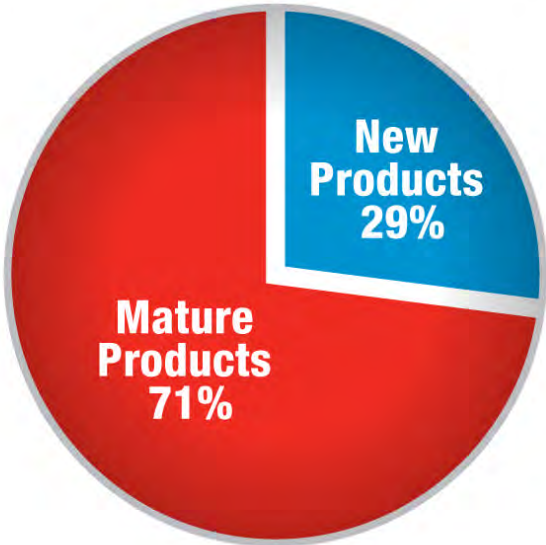


New Product Impact

2010 New Product Impact



2011 Q1 New Product Impact



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Recognition & Media Coverage



A PROVEN WINNER!



Ruger® LCR™
Revolver

Ruger® SR9c™
Pistol

Ruger® LCP™
Pistol



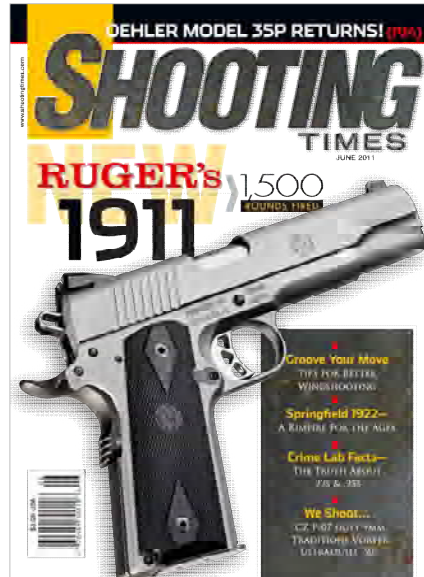
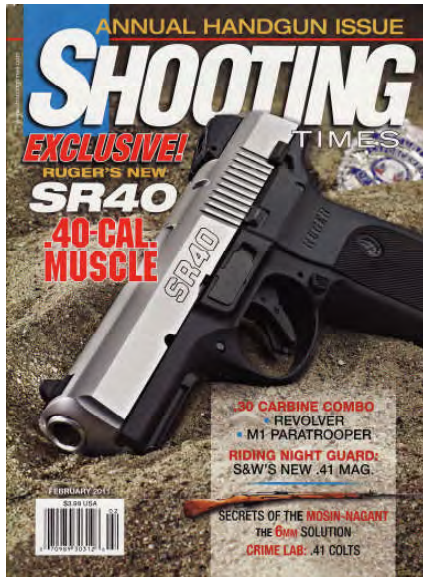
Ruger® LCP™ – 2008 Handgun of the Year
Ruger® LCR™ – 2009 Handgun of the Year
Ruger® SR9c™ – 2010 Handgun of the Year

One company continues to produce American-Made firearms that impress and perform at all levels – **Ruger®** and the award-winning Ruger® Compacts.

Editorial Coverage



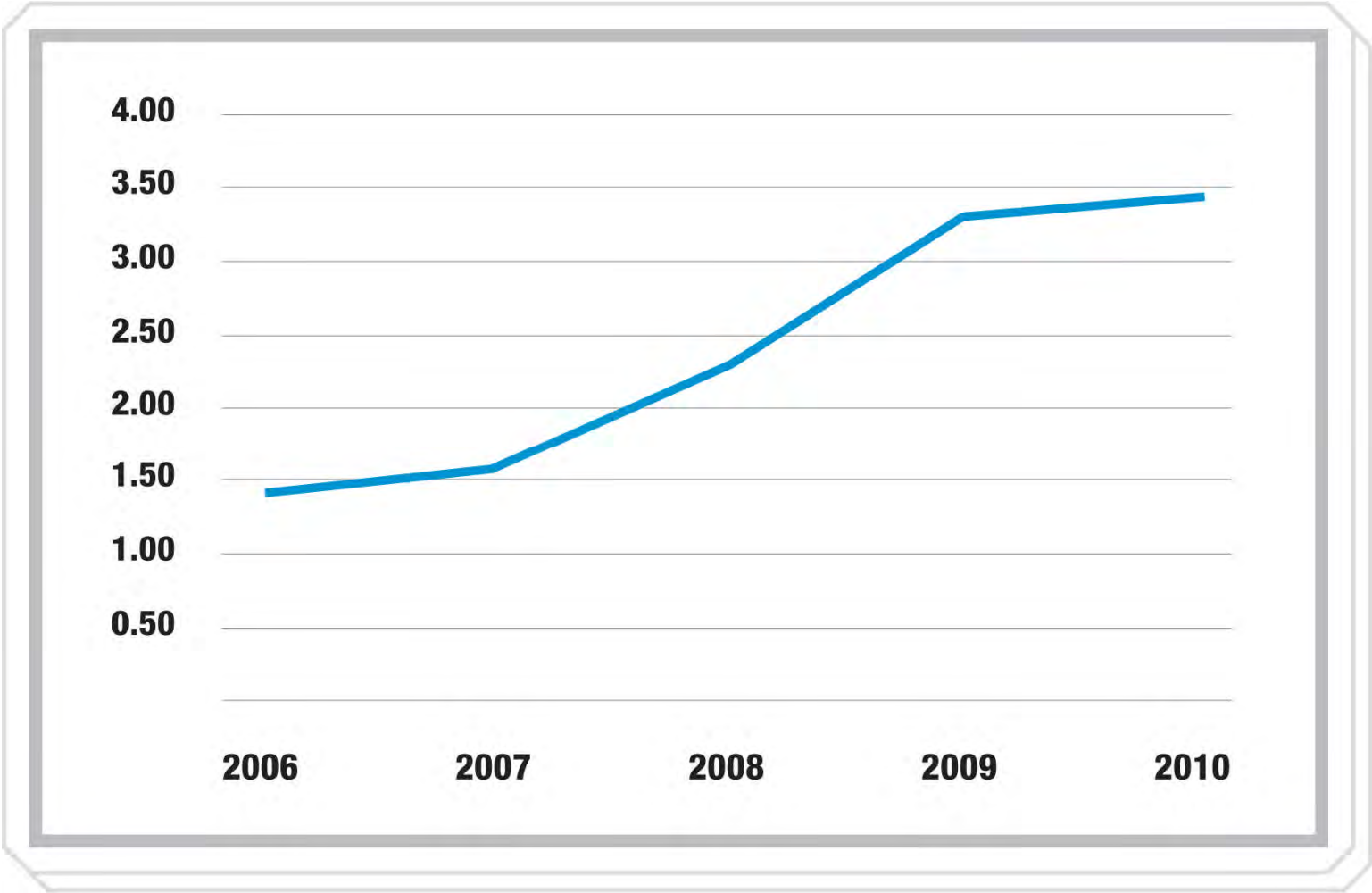
Editorial Coverage



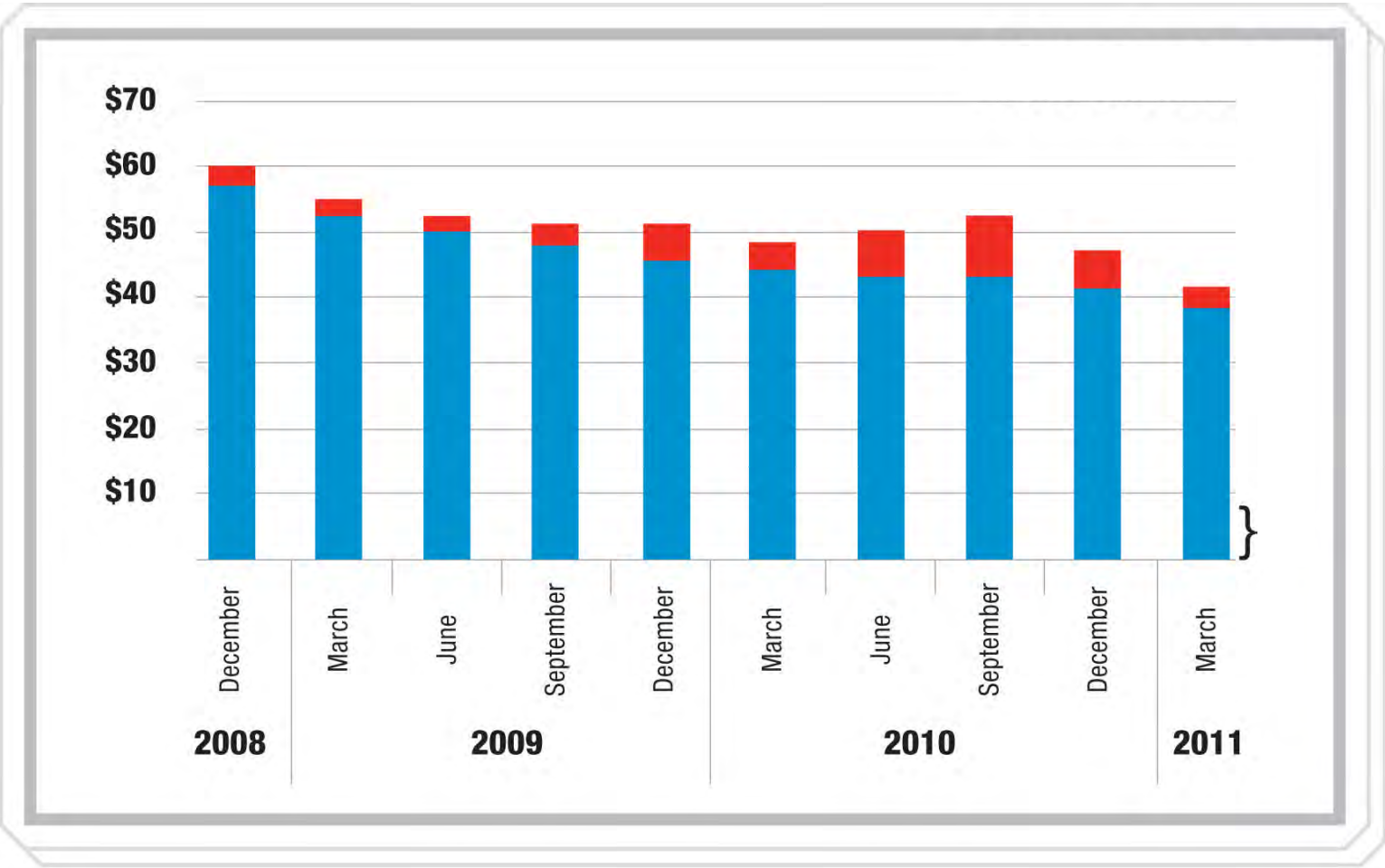
Liquidity



Inventory Turns

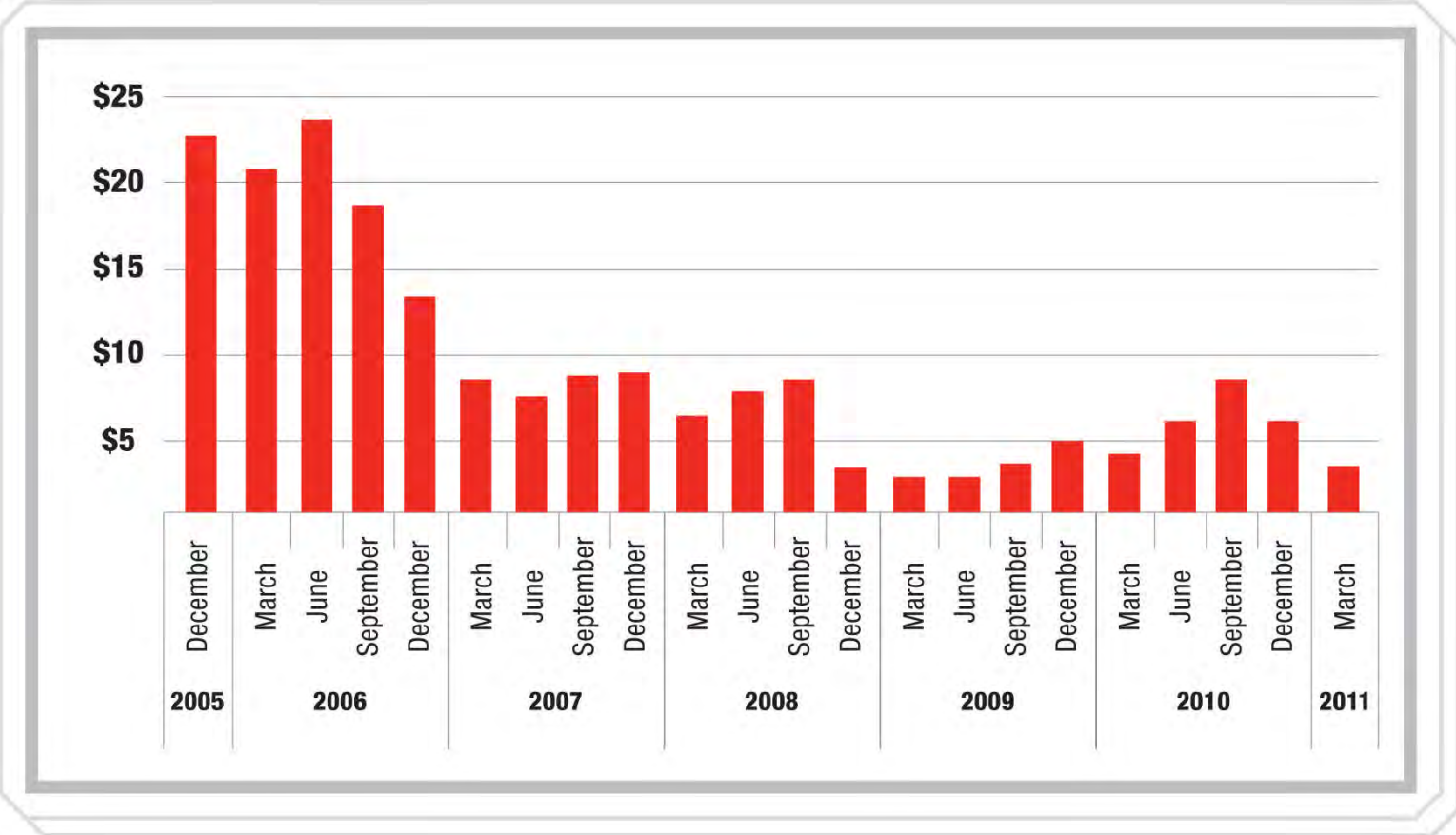


Inventory Reduction (in Millions)



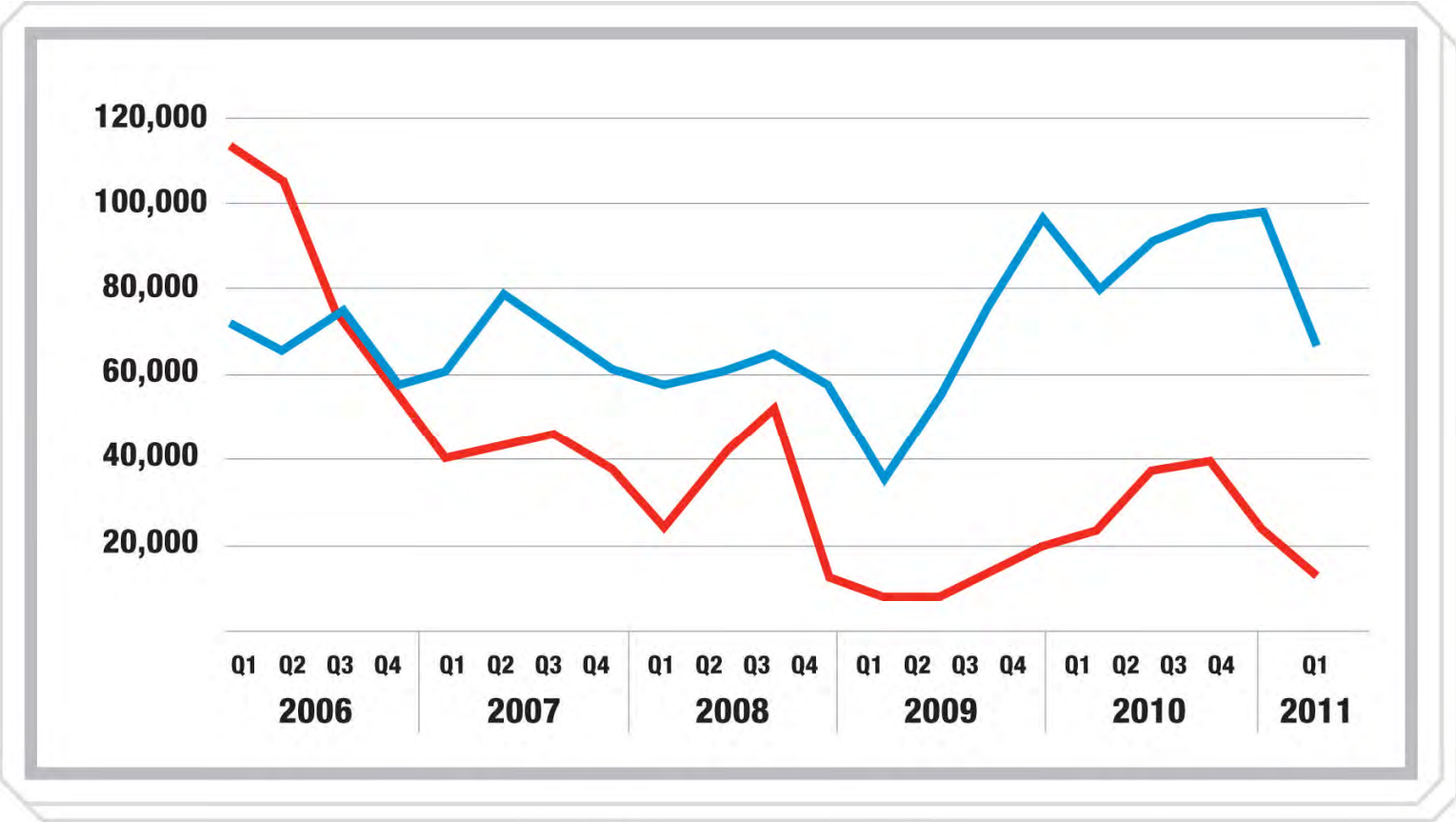
■ = Raw Materials & WIP ■ = Finished Goods

Finished Goods Seasonality (in Millions)



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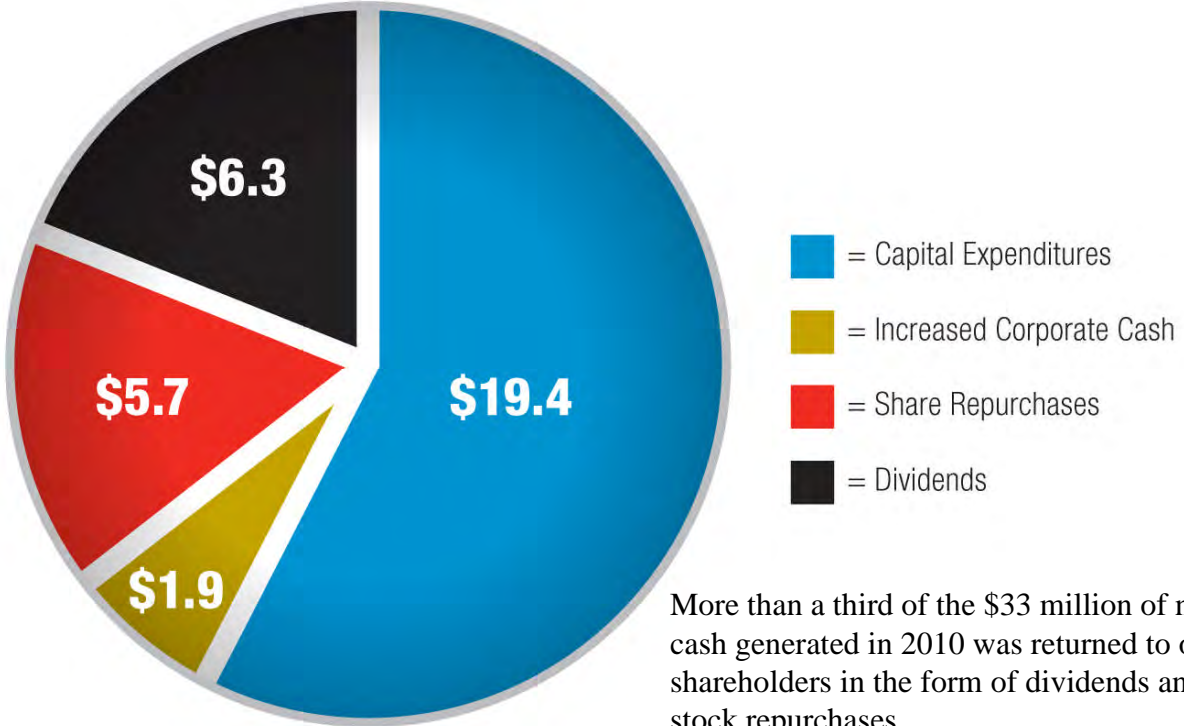
Finished Goods Inventory (in Units)



— = Distributor — = Ruger



2010 Capital Allocation (in Millions)



More than a third of the \$33 million of net cash generated in 2010 was returned to our shareholders in the form of dividends and stock repurchases.

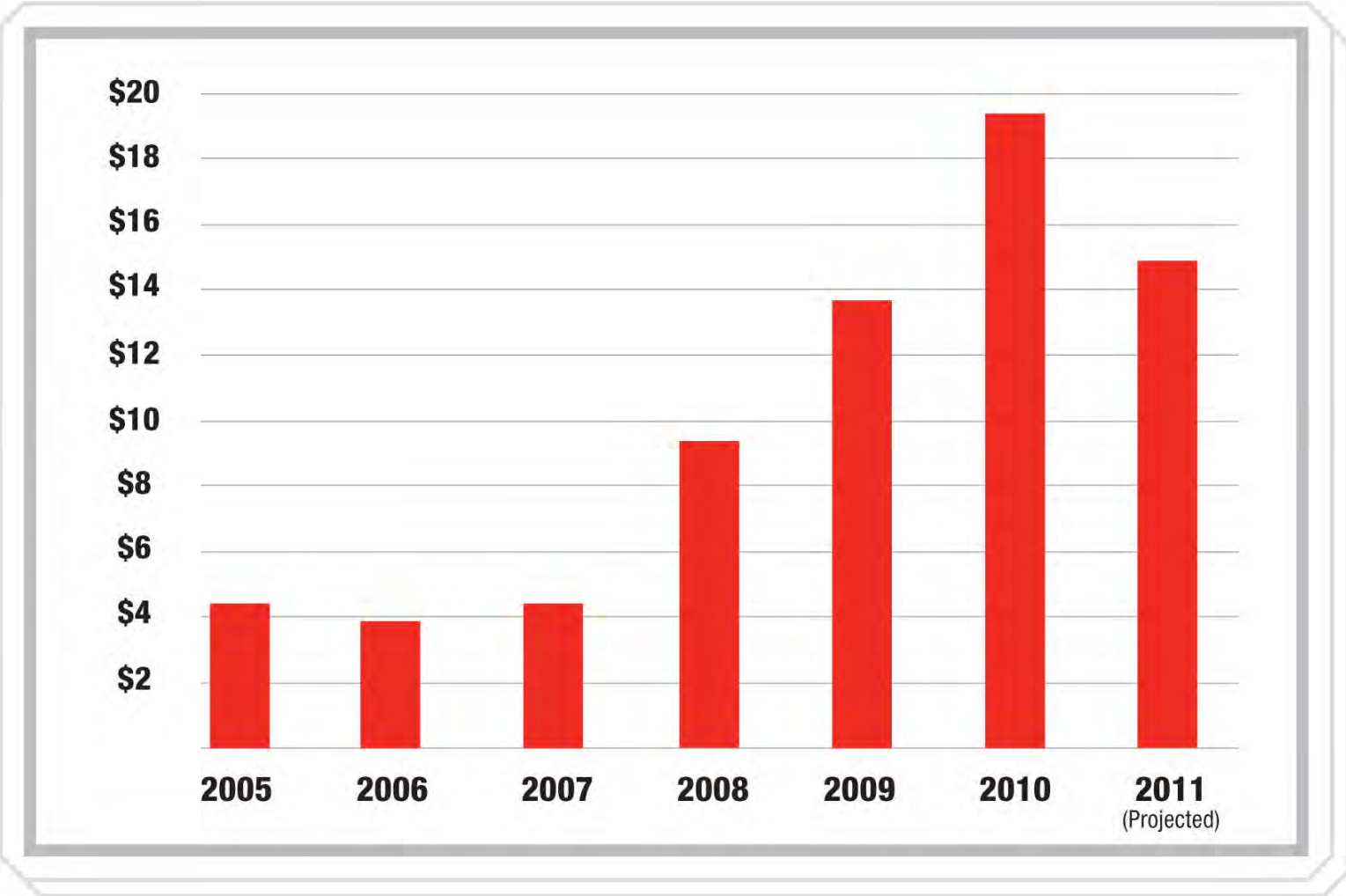
2010 Capital Allocation (in Millions)



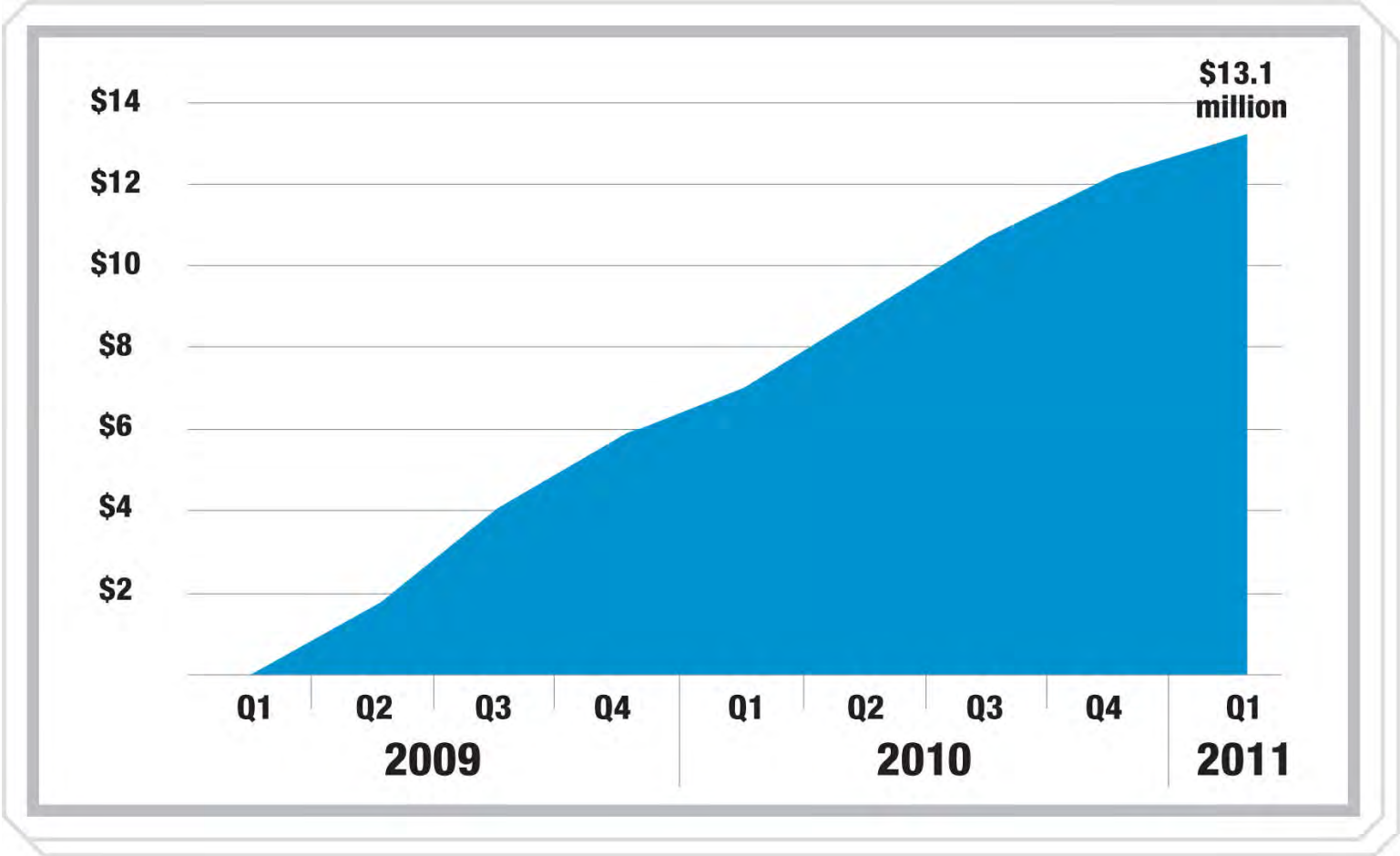
We Pay Taxes

-  = Federal Excise Tax
-  = Income Tax
-  = Capital Expenditures
-  = Increased Corporate Cash
-  = Share Repurchases
-  = Dividends

Capital Expenditures: Investing in Top-Line Growth (in Millions)

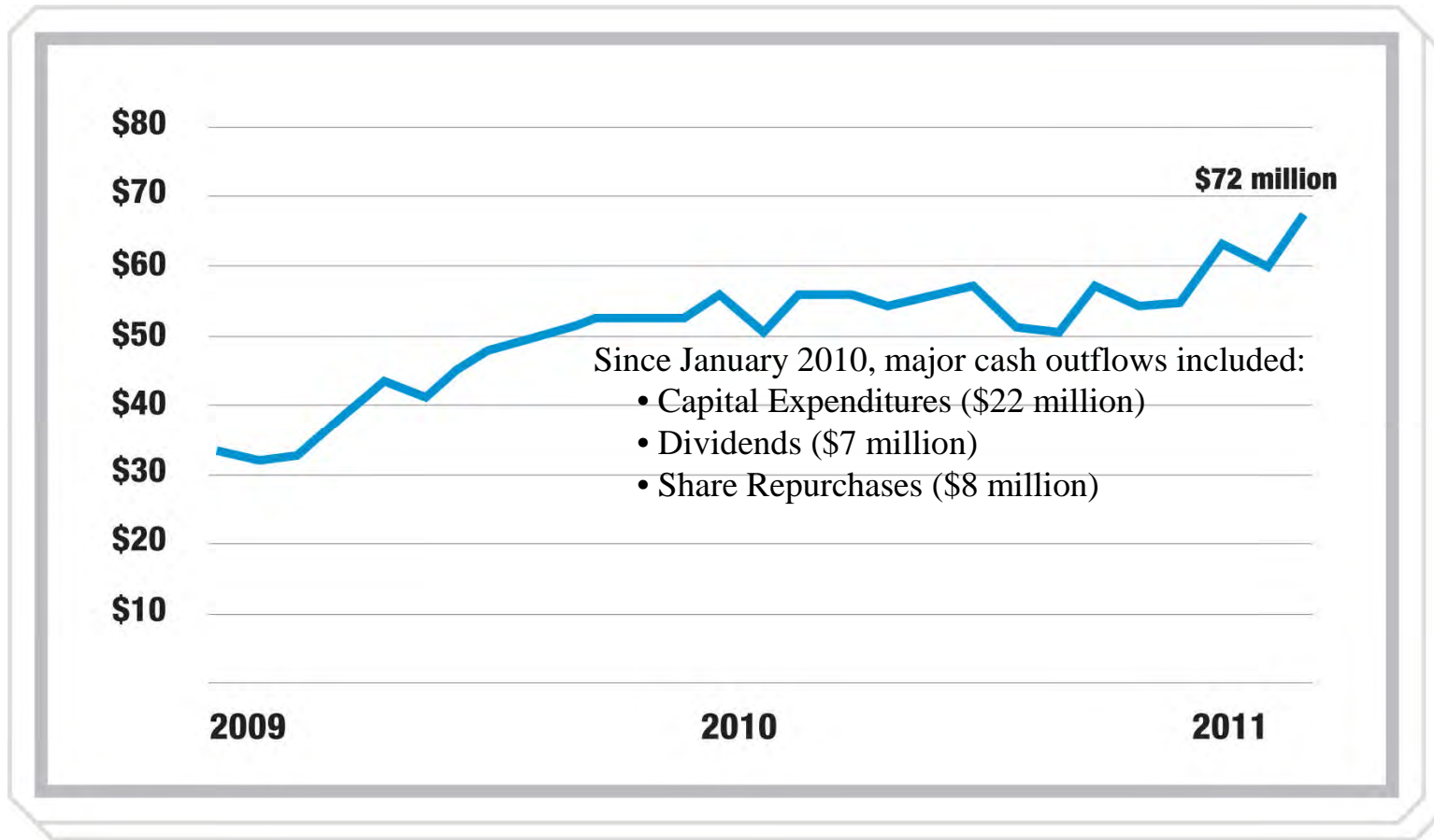


Cumulative Dividends Paid (in Millions)



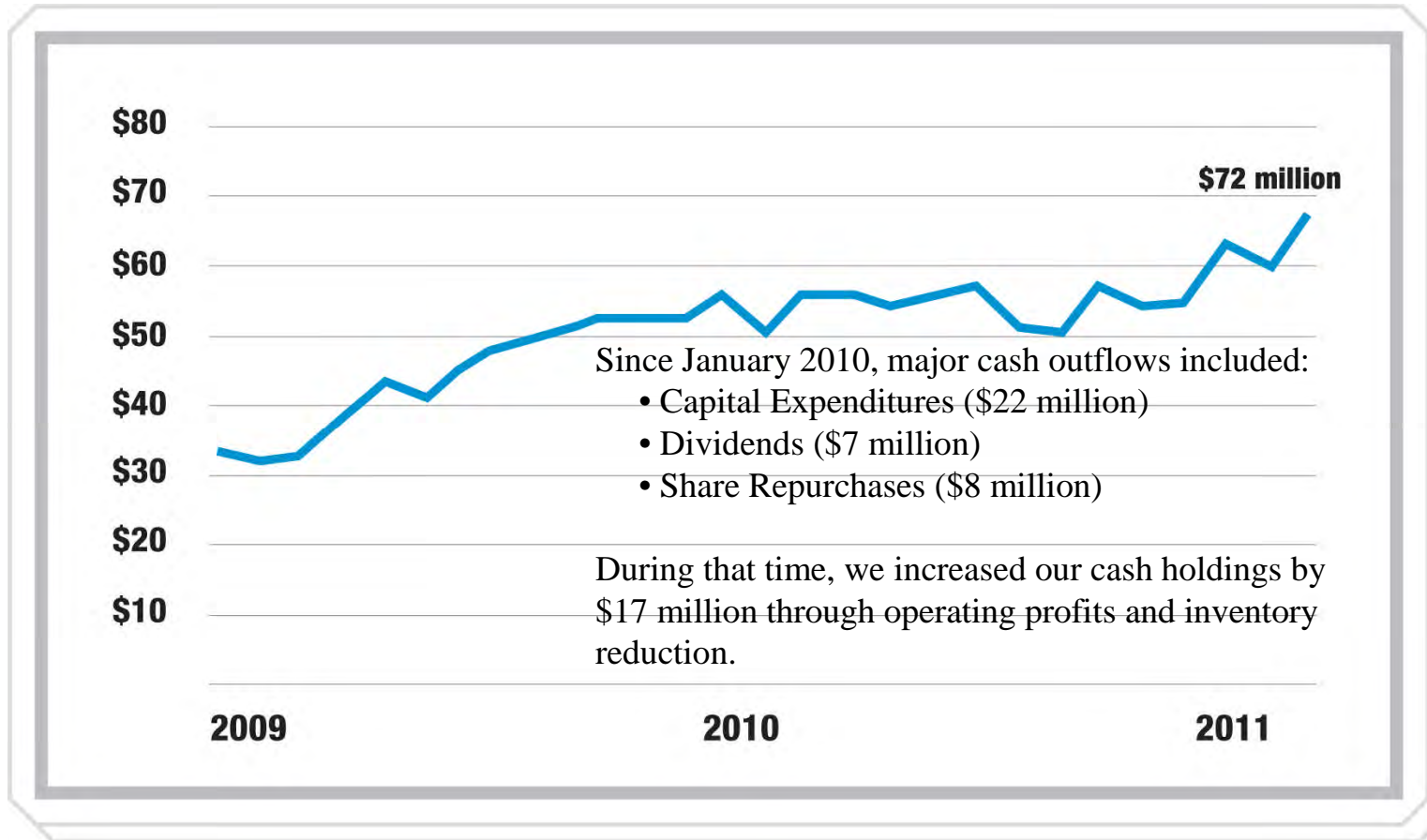
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Cash Balance (in Millions)



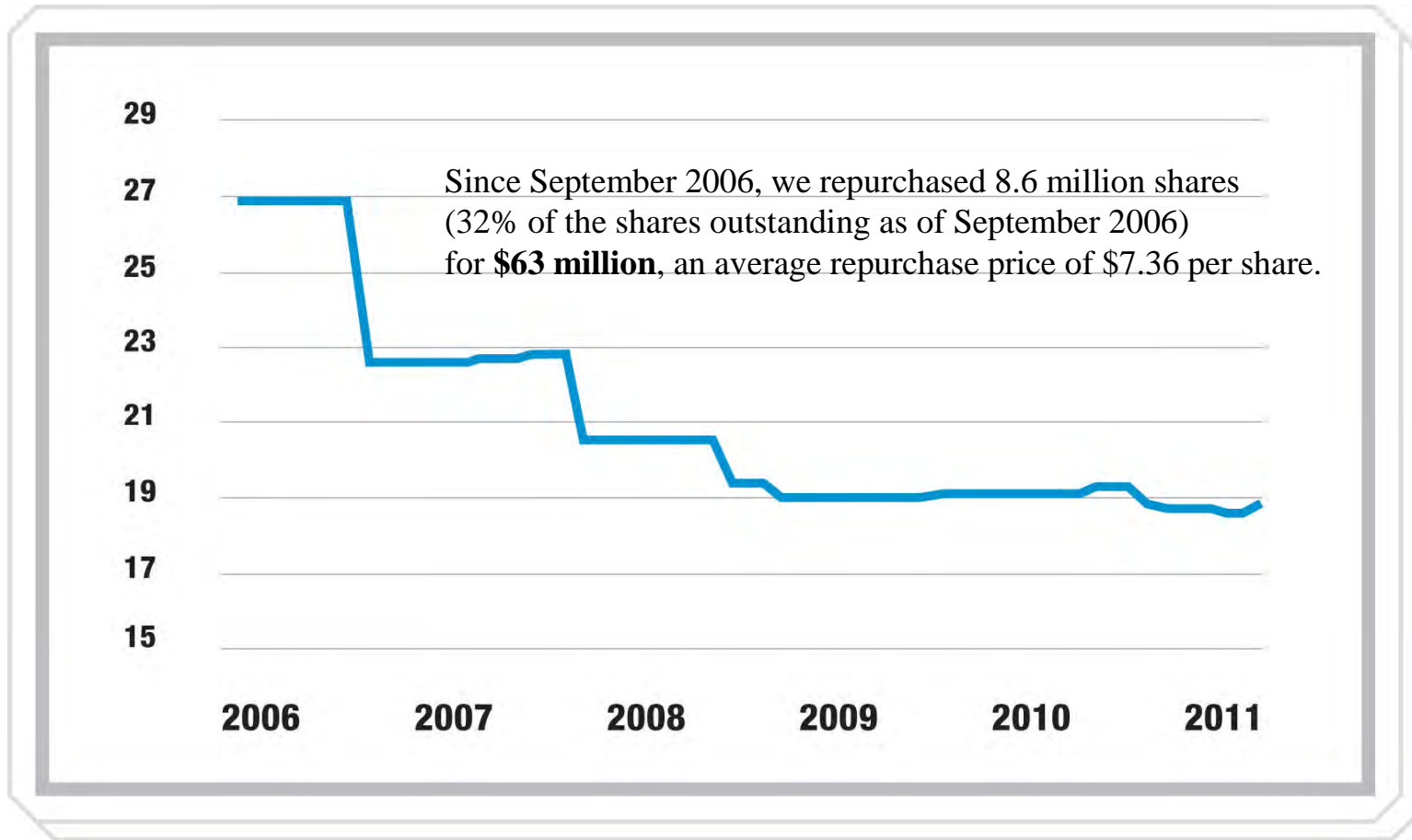
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Cash Balance (in Millions)



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Shares Outstanding (in Millions)



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Investor Communications

We anticipate releasing 2011 quarterly earnings and holding investor conference calls on the following dates:

<u>Period</u>	<u>Earnings Release</u>	<u>Conference Call</u>
Q2 2011	July 27, 2011	July 28, 2011
Q3 2011	October 26, 2011	October 27, 2011
Q4 2011	February 22, 2012	February 23, 2012

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NYSE: RGR

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Next Stop: NRA Show



Questions



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Thank You