



Smith & Wesson to Receive Incentives From Commonwealth of Massachusetts

December 21, 2010

- Thompson/Center Arms Rifles to be Produced in Springfield, MA Facility**
- Relocation of Manufacturing to Generate 225 New Massachusetts Jobs**
- Smith & Wesson to Receive up to \$6.0 Million in Tax Credits Through 2017**

SPRINGFIELD, Mass., Dec. 21, 2010 /PRNewswire via COMTEX/ -- **Smith & Wesson Holding Corporation** (Nasdaq: SWHC), a leader in the business of safety, security, protection, and sport, today announced that the Economic Assistance Coordinating Council (EACC) has approved an application from Smith & Wesson for up to \$6.0 million in tax credits in association with expanding its manufacturing operations in Springfield, Massachusetts.

Smith & Wesson applied for the incentives which support the company's commitment to bring 225 new jobs to its Springfield headquarters and to invest significant capital into that facility over the next five years. The newly created jobs in Springfield will span a number of functions, from manufacturing operations to senior management positions. The credits will be awarded over a period of seven years, but hiring for the new jobs will start in January 2011.

The award resulted after several months of discussion between the Commonwealth and Smith & Wesson, while the company considered location options for its rifle manufacturing. James Debney, President of Smith & Wesson Firearms, said, "Although several states and cities have approached us to entice expansion into their locations, Massachusetts and the Patrick-Murray Administration, Secretary Bialecki and his office, and Springfield Mayor Sarno and his staff, collaborated on the project to make our choice clear. These administrations are highly collaborative and worked closely with us on incentive programs to structure an agreement that demonstrates the commitment of both the Commonwealth and the City to not only Smith & Wesson, but to our employees, the local community, and to manufacturing in Massachusetts."

Smith & Wesson Holding Corporation President and CEO, Michael Golden, said, "We are proud to continue our 158-year heritage of firearm manufacturing in Springfield and we are excited that many of the state's largest law enforcement organizations, including Worcester, Springfield, and Lowell, have joined agencies across the nation in choosing the reliability and safety of our Massachusetts-made Military & Police ("M&P") pistols."

The Company extended a special thanks to Michael Vedovelli, the Regional Director for the Massachusetts Office of Business Development, and to Mayor Sarno and his staff, including John Judge and Bruce Stebbins, who all worked closely on the project and have pledged their support for City tax credits and training grants for the new employees.

About Smith & Wesson

Smith & Wesson Holding Corporation (NASDAQ: SWHC) is a U.S.-based, global provider of products and services for safety, security, protection, and sport. The company delivers a broad portfolio of firearms and related training to the military, law enforcement, and sports markets, and designs and constructs facility perimeter security solutions for military and commercial applications. Smith & Wesson companies include Smith & Wesson Corp., the globally recognized manufacturer of quality firearms; Universal Safety Response, Inc., a full-service perimeter security integrator, barrier manufacturer, and installer; and Thompson/Center Arms Company, Inc., a premier designer and manufacturer of premium hunting firearms. Smith & Wesson facilities are located in Massachusetts, Maine, New Hampshire, and Tennessee. For more information on Smith & Wesson and its companies, call (800) 331-0852 or log on to www.smith-wesson.com; www.usrgrab.com; or www.tcarms.com.

Safe Harbor Statement

Certain statements contained in this press release may be deemed to be forward-looking statements under federal securities laws, and the company intends that such forward-looking statements be subject to the safe-harbor created thereby. Such forward-looking statements include statements regarding the relocation of the Thompson/Center Arms operations and the company's expectations regarding the number and scope of jobs created by that relocation; the amount of capital that the Company expects to invest over the next five years; and the timing and size of tax credits that are expected to be received. The company cautions that these statements are qualified by important factors that could cause actual results to differ materially from those reflected by such forward-looking statements. Such factors include the demand for the company's products; the state of the U.S. economy; general economic conditions and consumer spending patterns; the company's growth opportunities; the company's anticipated growth; the ability of the company to increase demand for its products in various markets; the position of the company's hunting products in the consumer discretionary marketplace and distribution channel; and other risks detailed from time to time in the company's reports filed with the SEC, including its Form 10-K Report for the fiscal year ended April 30, 2010.

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