
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**

January 29, 2007

Date of Report (Date of earliest event reported)

Smith & Wesson Holding Corporation

(Exact Name of Registrant as Specified in Charter)

Nevada

(State or Other
Jurisdiction of Incorporation)

001-31552

(Commission File Number)

87-0543688

(IRS Employer
Identification No.)

**2100 Roosevelt Avenue
Springfield, Massachusetts
01104**

(Address of Principal Executive Offices) (Zip Code)

(800) 331-0852

(Registrant's telephone number, including area code)

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))
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Item 7.01 Regulation FD Disclosure.

The registrant is furnishing this Report on Form 8-K in connection with the disclosure of information, in the form of the textual information from a slide show presentation to be given at meetings with institutional investors throughout the remainder of the fiscal quarter and in February 2007.

The information in this Report on Form 8-K (including the exhibit) is furnished pursuant to Item 7.01 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 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 solely by Regulation FD.

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

The text included with this Report is available on the registrant’s website located at www.smith-wesson.com, although the registrant reserves the right to discontinue that availability at any time.

Item 9.01. Financial Statements and Exhibits.

(a) *Financial Statements of Business Acquired.*

Not applicable.

(b) *Pro Forma Financial Information.*

Not applicable.

(c) *Shell Company Transactions.*

Not applicable.

(d) *Exhibits.*

| <u>Exhibit Number</u> | <u>Exhibits</u> |
|---------------------------|---|
| 99.1 | Smith & Wesson presentation dated January 2007. |

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.

SMITH & WESSON HOLDING CORPORATION

Date: January 29, 2007

By: John A. Kelly
John A. Kelly
Chief Financial Officer

EXHIBIT INDEX

99.1 Smith & Wesson presentation dated January 2007.



Smith & Wesson®

Michael Golden, President/CEO
John Kelly, CFO

January 2007



Smith & Wesson Holding Corporation

Certain statements contained in this presentation 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 Company's strategies, the demand for the Company's products, the opportunity for growth of the Company, and anticipated sales and operating results. 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 Company's growth opportunities, the ability of the Company to obtain operational enhancements, and other risks detailed from time to time in the Company's reports filed with the SEC.



Company Profile

- 155-year old American firearms company
- Largest U.S. manufacturer of handguns & handcuffs
- 2006 market share:
 - #1 in revolvers — FY2006 sales growth: 14%
 - #3 in pistols — FY2006 sales growth: 69%
- New growth fueled by expansion into \$1.1B long gun market
 - 80% larger than handgun market
 - Acquired Thompson/Center Arms January 2007
 - Set to launch S&W hunting rifle in mid-2007
- 1400 Employees in three non-union, U.S. factories:
 - Springfield, MA
 - Houlton, ME
 - Rochester, NH



Investment Highlights

- **Highly valuable Smith & Wesson brand**
- **Large market opportunity in safety, security, protection and sport**
- **Leading market position in the handgun market**
- **Recently entered all long-gun market segments (rifles, shotguns)**
- **Experienced management team with proven track record**
- **Strong financial performance**

NASDAQ: SWHC
Shares Outstanding: 39.6M
Price: \$10.98 (at 1/24/07)
Market Cap: \$435MM



S&W: 87% Brand Awareness

A company-sponsored, 2004 survey asked consumers about their future purchase intent:

| Product / Service | S&W Rank | Current Status |
|--------------------------|---------------------|---------------------------------|
| Revolvers | #1 | Served |
| Pistols | #1 | Served |
| Tactical Rifles | #1 | Served: March 2006 |
| Shotguns | #3 | Introduced: Jan 2007 |
| Hunting Rifles | #3 | Planned launch: Mid-2007 |
| Security Systems | #3 | Not served |
| Ammunition | #4 | Not served |

Source: American Sports Data - Nov, 2004



Our Vision

The most recognizable company in the global business of
Safety...Security...Protection...Sport



Growth Strategy

Use “Safety-Security-Protection-Sport” platform to enter new markets while continuing to drive growth in our core firearms businesses

Drive Growth in Firearms Market

- **Innovative Products**
- **Law Enforcement**
- **Military/Federal Gov't**
- **International**
- **Sporting Goods**

Diversify into New Markets

- **Homeland Security**
- **Criminal Investigation**
- **Law Enforcement**
- **Defense**

Build and Leverage Brand

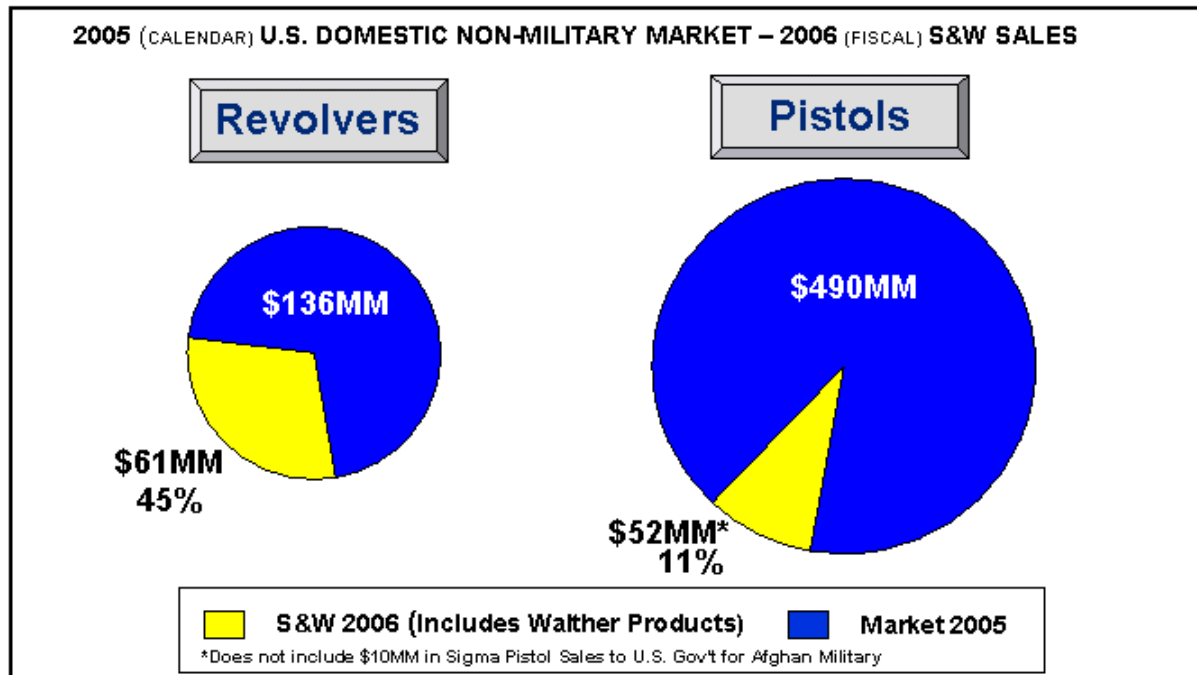
- **Re-energize the legacy**
- **Key to new market entry**
- **Licensing opportunities**
- **Marketing initiatives**



Smith & Wesson - Handguns Revolvers/Pistols



Revolver / Pistol Market: \$626MM

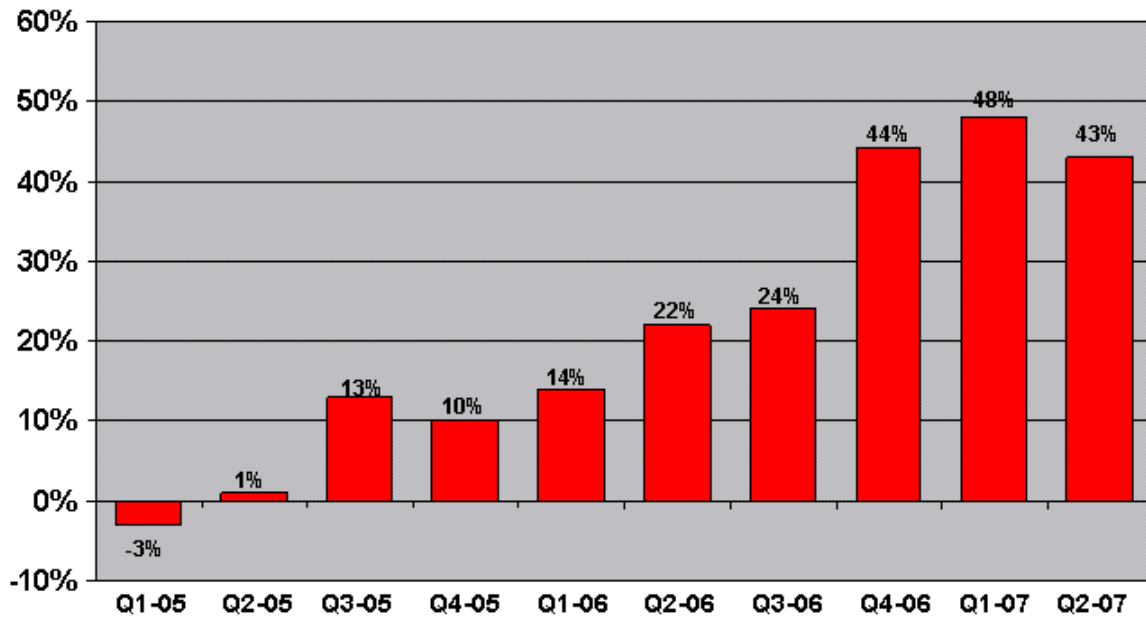


SOURCE: BATF 2005 Excise Tax Study & Smith & Wesson Management Estimates



Smith & Wesson Handgun Sales

(Year over Year Growth %)



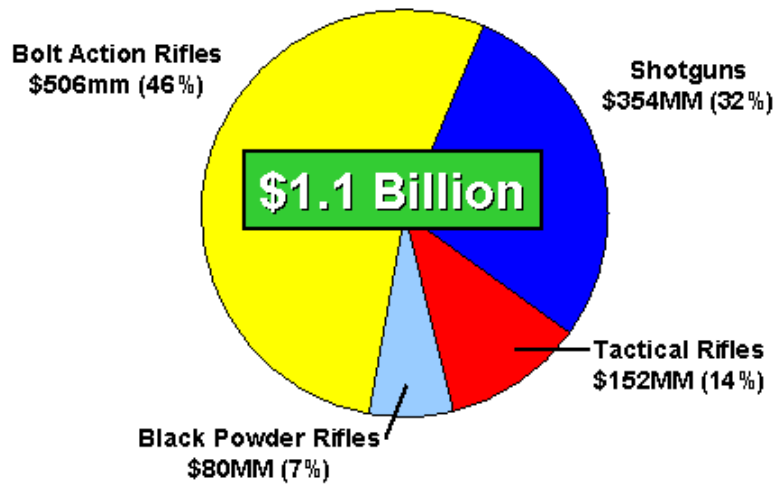
Smith & Wesson - Long Guns Rifles/Shotguns



Entering New Markets: Long Guns

The long gun market is 80% larger than the handgun market

2005 U.S. DOMESTIC NON-MILITARY MARKET

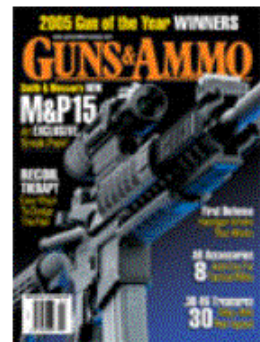
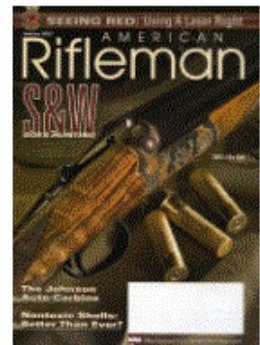


SOURCE: BATF 2005 Exotic Tax Study and Smith & Wesson Management Estimate. Based on 2005 vs. 2006 data from top 3 distributors.



Why the Long Gun Market?

- \$1.1 Billion Market: 80% larger than handguns
- Consumers already perceive S&W as a leader
- Highly fragmented and void of sophisticated marketing
- S&W entered long gun market March 2006
 - M&P15 Tactical Rifle
 - Sales & orders exceeded 10% of market in first year
 - Law enforcement agencies committed to date: 55
 - Unveiled shotgun products January 2007
 - Developing S&W hunting rifle for mid-2007 launch
- Recent Thompson/Center Arms acquisition adds full complement of hunting rifles to portfolio; positions S&W to accelerate growth in the long gun market



Thompson/Center Arms



- **Company Overview**

- 41-year old long gun company in Rochester, NH
- Leading player in black powder and interchangeable firearms systems markets – 52% market share in black powder
- Robust new product pipeline for 2007
 - Launched first bolt action rifle January 2007 - ICON

- **Acquisition Benefits**

- Provides S&W immediate entry into hunting rifles
- Long gun barrel manufacturing expertise accelerates S&W growth in rifles
- Expands and strengthens existing distribution channels
- No product overlap



Smith & Wesson®



Channel Management Strategy



Local LE



Sporting Goods



Fed Gov't/Military



International



Smith & Wesson



Our Current Markets

| Market | Channel | Targets | Y/Y Growth |
|---------------------------|--|---|-----------------|
| Sporting Goods | → Direct Sales Force | → - Firearms Distributors - 2,800 Independent Dealers - Big Box Retailers | → Q2 FY07 +52% |
| Federal Government | → Washington D.C. presence & lobbying effort | → - U.S. Military - Federal Agencies - Homeland Security | → Q2 FY07 +40% |
| Law Enforcement | → Direct Sales Force | → - State & Municipal Law Enforcement Agencies | → Q2 FY07 +148% |



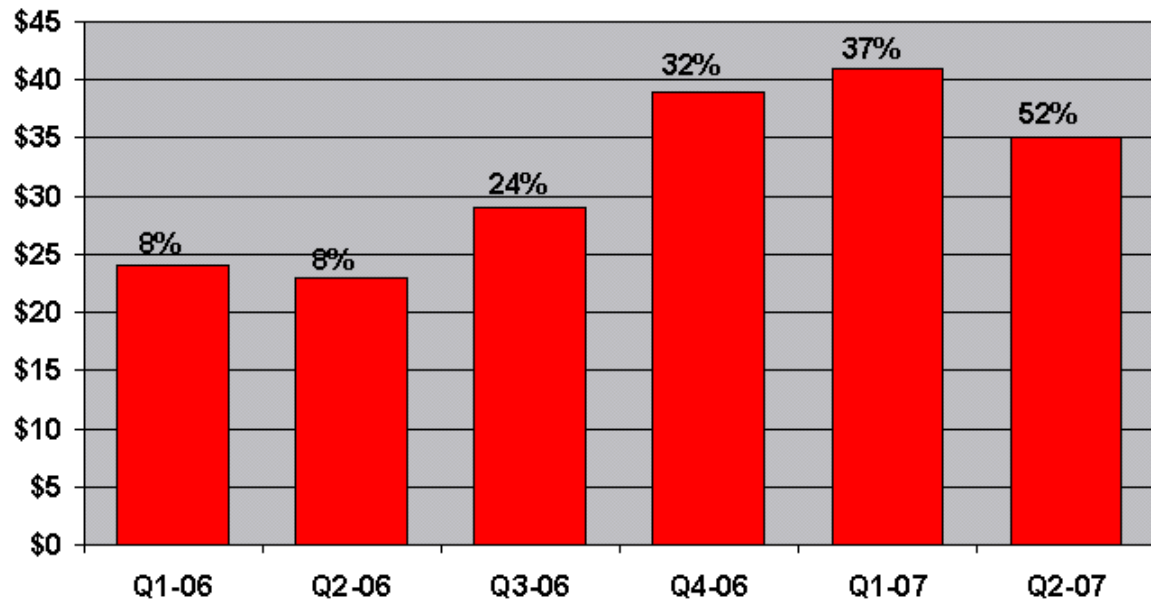
Strategy: Sporting Goods Channel

- **Growth in FY 2006: +19.4% (Q2: +52.4%)**
 - **Engraving/Performance Center & Commemoratives: +250%**
- **Sales Force Conversion: 30 U.S. Sales Employees**
- **New Product Support:**
 - **M&P Pistol Family**
 - **M&P15 Tactical Rifle Series**
 - **“Classics” Series**
 - **Shotguns**
- **Consumer “Pull” Promotions & Marketing**
 - **Shooting for Hawaii**
 - **NASCAR**
 - **Unrivaled editorial coverage**



Sporting Goods Sales Growth

FY (\$ In Millions)



Strategy: Military/Federal Government

- Growth in FY 2006: \$11MM vs \$0 in 2005. (1H FY 2007: 237%)
 - Won: Four orders / 75K Units – US Gov't to Afghanistan Military
- Regular Visits to Washington by CEO, COO, Lobby Firm
 - Increasing visibility on industry issues, potential orders
 - Quality products, made in America, by an American Company
- Anticipate military changing from 9 mm to 45 caliber
 - M&P45 Pistol launched January 2007
- Robust M&P Product Portfolio:
 - M&P40, M&P9, M&P40 Compact, M&P9 Compact, M&P45, M&P15 Tactical Rifle
- Several federal agencies testing M&P Pistol and Rifle



Strategy: Law Enforcement

- Growth in Q2 FY 2007: 148%
 - 146 LE Departments committed to M&P Pistol
 - 78% Win Rate – Represents 19,000 officers
 - 131 departments currently testing
- Smith & Wesson originally owned 98% of LE: today 10%
 - Market Size: 17,000 Departments and 800,000 Officers
 - Goal: Re-take leadership with M&P Pistols & Rifles
 - Designed with and for Law Enforcement
- Experienced Leadership:
 - Several experienced Glock sales leaders hired FY 2006
- New, Full Polymer Pistol/Rifle Portfolio:
 - Jan 2006: M&P40 – Initial L/E entry
 - May 2006: M&P9 - Preferred international caliber
 - Feb 2006: M&P15/15T – Provides SWAT tactical capability (96% win rate)
 - Oct 2006: M&P9 Compact – Concealed carry
 - Jan 2007: M&P40 Compact – Concealed carry
 - Jan 2007: M&P45 Full Size – Military potential



Strategy: International

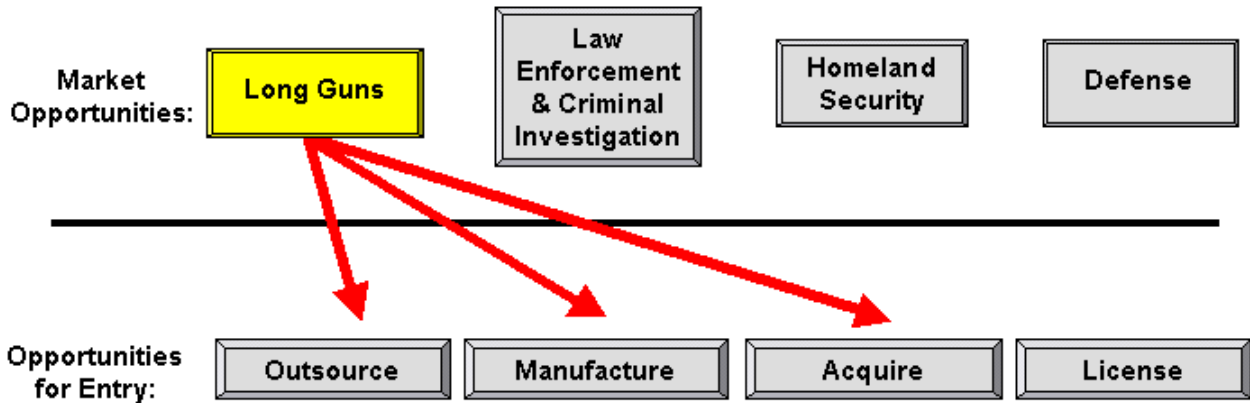


- **Growth in FY 2006: 61.1%**
- **Established & expanding sales channel and revenue base**
 - **Upgrading sales agents to enhance contacts in police/military**
 - **Europe, Latin America, Asia, Middle East**
- **New Product Support:**
 - **M&P9: Domestic & international markets**
- **Lobbying focus:**
 - **Shorten Federal export approval timeline**
 - **Raise \$1MM Congressional approval export threshold**



Addressing New Growth Opportunities

Safety...Security...Protection...Sport



Building the Brand: Licensing

- **Upgrading Retail Licensee Portfolio:**
 - **Wilson's Leather, Gun Safes, Gun Cleaning Products, Hats/T-shirts, Automotive**

Future: Long Gun Accessories

- **Establishing licensees in professional markets where Smith & Wesson can do business beyond licensing:**

- **Explosive-detection equipment**
- **New Possibilities:**

Homeland
Security

Criminal
Investigation

Law
Enforcement

Defense

**Safety... Security... Protection... Sport
& Brand Loyalty**



Enhancing Productivity

- **Achievements through Dec. '06:**

- Turns improvement +11%
- On time delivery improved from 60% to 85%
- Machine uptime improved from 60% to 85%
- Guns/day output +57% vs '05 +138% vs '04
- Productivity ratio + 10% vs prior year

New process
reduced steps
from 13 to 3



- **Blending craftsmanship with technology:**

- Implementing Smith & Wesson Operating System
- Investing in Equipment and Technology
- Technology Cell – Pistol Manufacturing
- New machining / Equipment re-furbishing



Smith & Wesson



Experienced Management Team

- **Michael Golden, President/CEO**
 - 30 Yrs: Kohler, Stanley Works, Black and Decker, Procter & Gamble
- **John Kelly, CFO**
 - 22 Yrs: Smith & Wesson
- **Leland Nichols, President, Smith & Wesson Firearms**
 - 22 Yrs: Kohler, Stanley Works, Black and Decker
- **Tom Taylor, VP Marketing**
 - 24 Yrs: Coca Cola, Frito-Lay
- **Tom Fimmen, VP Sales**
 - 25 Yrs: Union Carbide, GE Silicones, Stanley Works (Wal-Mart Sales Mgr)
- **Ken Chandler, VP Operations**
 - 22 Yrs: Ingersoll Rand, Autoliv
- **Bobbie Hunnicutt, VP Licensing**
 - 25 Yrs: Meredith, Stanley Works, Harley-Davidson



Financial Overview



Quarterly Income Statement Summary

| <i>(US\$ in millions, except per share data)</i> | Three Months Ended Oct. 31, | | Six Months Ended Oct. 31, | |
|--|-----------------------------|--------|---------------------------|--------|
| | 2005 | 2006 | 2005 | 2006 |
| Sales | \$35.5 | \$50.8 | \$67.4 | \$98.4 |
| Gross Profit | 10.5 | 16.1 | 20.1 | 32.7 |
| Gross Margin | 29.3% | 31.2% | 29.3% | 32.9% |
| Operating Income | \$1.2 | \$5.3 | \$6.1 | \$11.2 |
| Net Income | 0.7 | 2.9 | 3.4 | 6.2 |
| EPS | \$0.02 | \$0.07 | \$0.09 ^(a) | \$0.15 |
| Growth: | Sales: +43% | | Sales: +46% | |
| | Net Income: +312% | | Net Income: +84% | |

(a) 2005 Six Months Ended Oct. 31 Results include \$3.1MM environmental reserve reduction (\$1.9MM after tax, \$0.05 per share)



Annual Income Statement Summary

| <i>(US\$ in millions, except per share data)</i> | Year Ended April 30, | | | |
|--|----------------------|----------|----------|----------|
| | 2004 | 2005 | 2006 | 2007E |
| Sales | \$ 117.9 | \$ 124.0 | \$ 157.9 | \$ 200.0 |
| Gross Profit | 39.1 | 40.9 | 49.6 | 68.0 |
| <i>Gross Margin</i> | 32.7% | 32.5% | 31.0% | 34.0% |
| Operating Income | \$ 4.8 | \$ 11.2 | \$ 14.5 | \$ 25.6 |
| <i>Operating Margin</i> | 4.0% | 8.9% | 9.1% | 12.8% |
| Net Income | \$ 0.8 | \$ 5.2 | \$ 8.7 | \$ 15.0 |
| EPS | \$ 0.02 | \$ 0.14 | \$ 0.22 | \$ 0.36 |

Growth:

Sales: +5%

Sales: +27%

Sales: +27%

Net Income:
+527%

Net Income:
+67%

Net Income:
+72%

FY 2007 Pre-acquisition EPS guidance of \$0.36



Pro Forma Balance Sheet Summary

| <i>(US\$ in millions)</i> | As of Oct. 31, 2006 | Pro Forma for Acquisition and Offering |
|-------------------------------|------------------------|--|
| Cash & Cash Equivalents | \$ 0.7 | \$ 0.7 |
| Accounts Receivable | 31.6 | 45.8 |
| Total Assets | \$ 104.7 | \$ 231.5 |
| | | |
| Total Debt | \$ 19.7 | \$ 129.7 |
| Total Liabilities | 54.9 | 181.7 |
| Equity | 49.8 | 49.8 |
| Liabilities and Equity | \$ 104.7 | \$ 231.5 |
| | | |
| Working Capital | \$ 26.8 | \$ 50.6 |



Acquisition Accounting

- Under recent accounting pronouncements related to purchase accounting, certain intangible assets, sales backlog and inventory must be valued at "fair value" in accordance with the accounting pronouncements and amortized over their estimated useful lives. As a result, the amounts allocated to inventory and backlog are expected to significantly impact the results in the first quarter after the acquisition. Amounts allocated to amortizable intangible assets are amortized over 5 to 20 years. These are all non-cash adjustments.

Estimated Acquisition Related Amortization

| <i>(US\$ in millions)</i> | FY2007E | FY2008E |
|--|----------------|----------------|
| Amortization of customer list | \$ 0.7 | \$ 1.9 |
| Amortization of patents | 0.2 | 0.6 |
| Amortization of inventory mark-up to FMV | 6.0 | 0.0 |
| Amortization of valuation of beginning backlog | 0.1 | 0.0 |
| Total | <u>\$ 7.0</u> | <u>\$ 2.5</u> |

Note: These numbers are preliminary and are subject to change based upon the Thompson balance sheet and backlog at the time the transaction is closed.



Updated FY07 Annual Guidance

| <i>(US\$ in millions, except per share data)</i> | SWHC Standalone FY07 | Thompson/ Center Arms January – April 2007 | Non-cash Purchase Accounting Adjustments | Pro Forma for Acquisition FY07 |
|--|-------------------------------------|---|---|---|
| Net Product Sales | \$200.0 | \$18.6 | - | \$218.6 |
| Net Income | 15.0 | 0.9 | \$(4.4) | 11.5 |
| EBITDA | 33.9 | 2.7 | - | 36.6 |
| Earnings per Diluted Share: | \$0.36 | \$0.01 | \$(0.10) | \$0.27 |



Updated FY08 Annual Guidance

| | SWHC Standalone FY08 | Pro Forma for Acquisition FY08 |
|--|----------------------------|--------------------------------------|
| <i>(US\$ in millions, except per share data)</i> | | |
| Net Product Sales | \$250.0 | \$320.0 |
| Net Income | 22.0 | 27.0 |
| EBITDA | 47.5 | 62.2 |
| Earnings per Diluted Share: | \$0.52 | \$0.60 |



Appendix: EBITDA Reconciliation

| Smith & Wesson | FY2007 | | FY2008 | |
|---|-----------------|------------------|-----------------|------------------|
| | SWHC Standalone | Post Acquisition | SWHC Standalone | Post Acquisition |
| <i>(US\$ in millions)</i> | | | | |
| Net Income | \$ 15.0 | \$ 11.5 | \$ 22.0 | \$ 27.0 |
| Income Taxes | 9.1 | 7.1 | 13.5 | 16.6 |
| Interest Expense | 1.4 | 2.5 | 1.0 | 4.4 |
| Depreciation | 6.0 | 6.1 | 8.0 | 8.7 |
| FAS 123R | 2.4 | 2.4 | 3.0 | 3.0 |
| Amortization of Acquisition Related Intangibles | - | 7.0 | - | 2.5 |
| EBITDA | \$ 33.9 | \$ 36.6 | \$ 47.5 | \$ 62.2 |

Thompson/Center Arms

| | For the Year Ended December 31, 2005 |
|---|---|
| <i>(US\$ in millions)</i> | |
| Net Income | \$ 2.9 |
| Income Taxes | 2.2 |
| Interest Expense | 4.0 |
| Depreciation | 0.3 |
| Management Fee to Thompson directors | 0.3 |
| Consulting Fee to Previous Owners | 0.8 |
| Amortization of Acquisition Related Intangibles | 2.4 |
| EBITDA | \$ 12.9 |



Investment Highlights

- **Highly valuable Smith & Wesson brand**
- **Large market opportunity in safety, security, protection and sport**
- **Leading market position in the handgun market**
- **Recently entered all long-gun market segments (rifles, shotguns)**
- **Experienced management team with proven track record**
- **Strong financial performance**

NASDAQ: SWHC
Shares Outstanding: 39.6M
Price: \$10.98 (at 1/24/07)
Market Cap: \$435MM



