
UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K/A

AMENDMENT NO. 2

TO

CURRENT REPORT

**Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported):

January 3, 2007

Smith & Wesson Holding Corporation

(Exact name of registrant as specified in its charter)

Nevada

(State or other jurisdiction of
incorporation)

000-31552

(Commission
File Number)

87-0543688

(IRS Employer
Identification No.)

2100 Roosevelt Avenue

Springfield, Massachusetts 01104

(Address of Principal Executive Offices)

(Zip Code)

Registrant's telephone number, including area code: **(800) 331-0852**

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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TABLE OF CONTENTS

[Item 9.01. Financial Statements and Exhibits](#)

[SIGNATURE](#)

[EXHIBIT INDEX](#)

[EX-99.2](#)

Explanatory Note

On January 3, 2007, Smith & Wesson Holding Corporation filed a Form 8-K (the "Original Filing") under Item 2.01 to report the completion of its acquisition of Bear Lake Acquisition Corp. and its subsidiaries, including Thompson/Center Arms Company, Inc. On February 12, 2007, Smith & Wesson Holding Corporation filed Amendment No. 1 to the Original Filing to provide the financial information required by Items 9.01(a) and (b). Smith & Wesson Holding Corporation is filing this Amendment No. 2 to (i) revise the unaudited pro forma consolidated statements of income for the year ended April 30, 2006, previously filed as part of Exhibit 99.2 to eliminate the amortization on previously recorded intangibles of Bear Lake and to record amortization on acquisition intangibles and to adjust the tax effect of interest expense recorded, and (ii) file the unaudited pro forma statements of income and comprehensive income for the nine months ended January 31, 2007. Because the Quarterly Report on Form 10-Q for the period ended January 31, 2007 was filed on March 19, 2007 and includes the results of Bear Lake, the unaudited pro forma consolidated balance sheet presented in Exhibit 99.2 has not been updated, however we elected to revise our previously filed balance sheet to correct a typographical error in the "Property, plant, and equipment, net" line item, and to separate goodwill from intangibles and reclassify loan acquisition fees from debt to other assets consistent with our presentation in such Form 10-Q.

Item 9.01. Financial Statements and Exhibits.

(a) Financial Statements of Business Acquired

The historical consolidated financial statements of Bear Lake Holding, Inc., for the year ended December 31, 2003, for the period January 1, 2004 through December 5, 2004, and Bear Lake Acquisition Corp. for the period December 6, 2004 through December 31, 2004 and year ended December 31, 2005 and for the nine-month periods ended September 30, 2005 and 2006 (unaudited), are filed herewith as Exhibit 99.1.

(b) Pro Forma Financial Information

The unaudited pro forma combined financial statements of Smith & Wesson Holding Corporation for the twelve months ended April 30, 2006 and for the nine months ended January 31, 2007, giving effect to the acquisition of Bear Lake Acquisition Corp, are filed herewith as Exhibit 99.2.

(d) Exhibits

99.1 The historical consolidated financial statements of Bear Lake Holding, Inc., for the year ended December 31, 2003, for the period January 1, 2004 through December 5, 2004; and Bear Lake Acquisition Corp. for the period December 6, 2004 through December 31, 2004 and year ended December 31, 2005 and for the nine-month periods ended September 30, 2005 and 2006 (unaudited).*

99.2 The unaudited pro forma combined financial statements of Smith & Wesson Holding Corporation for the twelve months ended April 30, 2006, as of and for the six months ended October 31, 2006, and for the nine months ended January 31, 2007, giving effect to the acquisition of Bear Lake Acquisition Corp.

23.1 Consent of Nathan Wechsler & Company, PA*

23.2 Consent of Grant Thornton LLP*

* Previously filed.

SIGNATURE

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: March 28, 2007

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

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
23.1	Consent of Nathan Wechsler & Company, PA*
23.2	Consent of Grant Thornton LLP*
99.1	The historical consolidated financial statements of Bear Lake Holding, Inc., for the year ended December 31, 2003, for the period January 1, 2004 through December 5, 2004; and Bear Lake Acquisition Corp. for the period December 6, 2004 through December 31, 2004 and year ended December 31, 2005 and for the nine-month periods ended September 30, 2005 and 2006 (unaudited).*
99.2	The unaudited pro forma combined financial statements of Smith & Wesson Holding Corporation for the twelve months ended April 30, 2006, as of and for the six months ended October 31, 2006, and for the nine months ended January 31, 2007 giving effect to the acquisition of Bear Lake Acquisition Corp.

* Previously filed.

On January 3, 2007, Smith & Wesson Holding Corporation (the Company) completed its previously announced acquisition of Bear Lake Acquisition Corp. and its subsidiaries, including Thompson/Center Arms Company, Inc., for \$102,000,000 in cash.

The following unaudited pro forma condensed combined financial information of the Company and Bear Lake Acquisition Corp. is based on estimates and assumptions, which have been made solely for purposes of developing such pro forma information. The estimated pro forma adjustments arising from these acquisitions are derived from their respective preliminary purchase price allocations.

The pro forma data are presented for illustrative purposes only and are not necessarily indicative of the operating results or financial position that would have occurred if each transaction had been consummated as of May 1, 2005, October 31, 2006, or January 31, 2007, nor are the data necessarily indicative of future operating results or financial position.

FOOTNOTE REFERENCE TO THE COLUMNS ON THE PRO FORMA CONDENSED COMBINED STATEMENTS:

(A) As reported in the Company's audited consolidated financial statements included in its Annual Report on Form 10-K for the fiscal year ended April 30, 2006, as filed with the SEC, or the Company's quarterly report on Form 10-Q for the nine months ended January 31, 2007, as filed with the SEC.

(B) Derived from Bear Lake Acquisition Corp.'s unaudited financial statements for the period from April 1, 2005 through March 31, 2006. In the opinion of management, all adjustments, consisting of normal and recurring adjustments, considered necessary for a fair presentation of the results of operations for the period presented have been included.

(C) Derived from Bear Lake Acquisition Corp.'s unaudited financial statements as of September 30, 2006. In the opinion of management, all adjustments, consisting of normal and recurring adjustments, considered necessary for a fair presentation of the results of operations for the period presented have been included.

(D) Derived from Bear Lake Acquisition Corp.'s unaudited financial statements for the period from May 1, 2006 through December 31, 2006. In the opinion of management, all adjustments, consisting of normal and recurring adjustments, considered necessary for a fair presentation of the results of operations for the period presented have been included.

SMITH & WESSON HOLDING CORPORATION and Subsidiaries
UNAUDITED PRO FORMA CONSOLIDATED BALANCE SHEETS

As of:

	Historical Smith & Wesson October 31, 2006 (A)	Historical Bear Lake September 30, 2006 (C)	Pro forma Adjustments	Pro Forma Combined
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 654,434	\$ 934,786		\$ 1,589,220
Accounts receivable, net of allowance for doubtful accounts	31,586,550	14,315,870		45,902,420
Inventories	21,619,744	12,418,817	3,000,000 (13)	37,038,561
Other current assets	2,316,452	1,383,778		3,700,230
Deferred income taxes	3,346,684	846,146	(941,600) (17)	3,251,230
Income tax receivable	1,233,749	974,214		2,207,963
Assets held for sale	—	175,436	(175,436) (7)	—
Total current assets	<u>60,757,613</u>	<u>31,049,047</u>	<u>1,882,964</u>	<u>93,689,624</u>
Property, plant and equipment, net	31,611,333	7,101,939	(1,261,939) (12)	37,451,333
Intangibles, net	424,505	6,758,634	62,641,366 (8)	69,824,505
Goodwill	—	—	30,860,572 (21)	30,860,572
Deferred income taxes	7,358,194	—		7,358,194
Other assets	4,662,161	1,242,268	4,469,929 (1)	10,374,358
	<u>\$ 104,813,806</u>	<u>\$ 46,151,888</u>	<u>\$ 98,592,892</u>	<u>\$ 249,558,586</u>
LIABILITIES AND STOCKHOLDERS' EQUITY				
Current liabilities:				
Accounts payable	\$ 11,428,999	\$ 3,737,148		15,166,147
Accrued other expenses	3,922,840	2,061,001	1,250,000 (11, 14)	7,233,841
Accrued payroll	4,988,750	—	175,000 (15)	5,163,750
Accrued taxes other than income	1,177,493	158,095		1,335,588
Accrued profit sharing	2,059,805	600,000		2,659,805
Accrued workers' compensation	404,264	—		404,264
Accrued product liability	2,293,616	1,238,832	221,000 (16)	3,753,448
Accrued warranty	1,416,780	231,199		1,647,979
Deferred revenue	4,836	—		4,836
Current portion of notes payable	6,245,335	9,600,690	(9,162,708) (2)	6,683,317
Total current liabilities	<u>33,942,718</u>	<u>17,626,965</u>	<u>(7,516,708)</u>	<u>44,052,975</u>
Notes payable, net of current portion	13,452,502	1,746,064	26,253,936 (3, 9)	41,452,502
Convertible Debt, inclusive of issuance costs	—	—	80,000,000 (10)	80,000,000
Deferred tax liability	—	5,525,450	20,269,619	25,795,069
Notes payable to former stockholders, net of discounts and current amounts	—	11,334,277	(11,334,277) (4)	—
Other non-current liabilities	7,625,513	839,454		8,464,967
Mandatorily redeemable series A preferred stock	—	5,445,000	(5,445,000)	—
Accumulated unpaid dividends series A preferred stock	—	991,697	(991,697)	—
Less: stockholder note receivable for purchase of stock	—	(345,000)	345,000	—
	<u>—</u>	<u>6,091,697</u>	<u>(6,091,697) (5)</u>	<u>—</u>
Stockholders' equity:				
Preferred stock, \$.001 par value, 20,000,000 shares authorized, no shares issued or outstanding	—	—		—
Common stock, \$.001 par value, 100,000,000 shares authorized, 40,835,422 shares on October 31, 2006 and 39,310,543 shares on April 30, 2006 issued	40,835	—		40,835
Additional paid-in capital	41,907,995	48,670	(48,670) (6)	41,907,995
Retained earnings	14,240,243	2,939,311	(2,939,311) (6)	14,240,243
Treasury stock, at cost (1,200,000 shares on October 31, 2006)	(6,396,000)	—		(6,396,000)
Total stockholders' equity	<u>49,793,073</u>	<u>2,987,981</u>	<u>(2,987,981)</u>	<u>49,793,073</u>
	<u>\$ 104,813,806</u>	<u>\$ 46,151,888</u>	<u>\$ 98,592,892</u>	<u>\$ 249,558,586</u>

SMITH & WESSON HOLDING CORPORATION AND SUBSIDIARIES
UNAUDITED PRO FORMA CONSOLIDATED STATEMENTS OF INCOME
AND COMPREHENSIVE INCOME
for the year ended APRIL 30, 2006

	Historical Smith & Wesson (A)	Historical Bear Lake (B)	Pro forma Adjustments	Pro Forma Combined
Net product and services sales	\$ 157,874,717	\$ 64,830,661	\$ —	\$ 222,705,378
License revenue	2,173,907	—	—	2,173,907
Cost of products and services sold	110,354,558	36,478,047	—	146,832,605
Cost of license revenue	87,067	—	—	87,067
Gross profit	<u>49,606,999</u>	<u>28,352,614</u>	<u>—</u>	<u>77,959,613</u>
Operating expenses:				
Research and development, net	348,788	269,311	—	618,099
Selling and marketing	16,546,671	10,364,293	—	26,910,964
General and administrative	21,255,031	10,109,095	1,071,818 ⁽¹⁸⁾	32,435,944
Environmental expense (credit)	(3,087,810)	—	—	(3,087,810)
Total operating expenses	<u>35,062,680</u>	<u>20,742,699</u>	<u>1,071,818</u>	<u>56,877,197</u>
Income from operations	<u>14,544,319</u>	<u>7,609,915</u>	<u>(1,071,818)</u>	<u>21,082,416</u>
Other income/(expense):				
Other income/(expense)	745,577	(10,492)	—	735,085
Interest income	112,322	115,716	—	228,038
Interest expense	(1,638,022)	(3,828,036)	(1,354,364) ⁽¹⁹⁾	(6,820,422)
Total other expense	<u>(780,123)</u>	<u>(3,722,812)</u>	<u>(1,354,364)</u>	<u>(5,857,299)</u>
Income before income taxes	13,764,196	3,887,103	(2,426,182)	15,225,117
Income tax expense (benefit)	5,062,617	1,273,625	(799,726) ⁽²⁰⁾	5,536,516
Net income	<u>\$ 8,701,579</u>	<u>\$ 2,613,478</u>	<u>\$ (1,626,456)</u>	<u>\$ 9,688,601</u>
Weighted average number of common and common equivalent shares outstanding, basic				
	<u>36,586,794</u>			<u>36,586,794</u>
Net income per share, basic	<u>\$ 0.24</u>			<u>\$ 0.26</u>
Weighted average number of common and common equivalent shares outstanding, diluted				
	<u>39,787,045</u>			<u>39,787,045</u>
Net income per share, diluted	<u>\$ 0.22</u>			<u>\$ 0.24</u>

SMITH & WESSON HOLDING CORPORATION AND SUBSIDIARIES
UNAUDITED PRO FORMA CONSOLIDATED STATEMENTS OF INCOME
AND COMPREHENSIVE INCOME
for the nine months ended January 31, 2007

	Historical Smith & Wesson (A)	Historical Bear Lake (D)	Pro forma Adjustments	Pro Forma Combined
Net product and services sales	\$ 152,266,586	\$51,122,700	\$ —	\$ 203,389,286
License revenue	1,485,367	—	—	1,485,367
Cost of products and services sold	104,007,751	30,415,609	—	134,423,360
Cost of license revenue	15,492	—	—	15,492
Gross profit	<u>49,728,710</u>	<u>20,707,091</u>	<u>—</u>	<u>70,435,801</u>
Operating expenses:				
Research and development, net	836,440	194,910	—	1,031,350
Selling and marketing	15,344,369	8,420,806	—	23,765,175
General and administrative	18,701,983	7,039,334	409,533 (18)	26,150,850
Environmental expense (credit)	—	—	—	—
Total operating expenses	<u>34,882,792</u>	<u>15,655,050</u>	<u>409,533</u>	<u>50,947,375</u>
Income from operations	<u>14,845,918</u>	<u>5,052,041</u>	<u>(409,533)</u>	<u>19,488,426</u>
Other income/(expense):				
Other income/(expense)	(754,159)	(125,780)	—	(879,939)
Interest income	200,432	—	—	200,432
Interest expense	(1,771,066)	(2,648,384)	(1,153,722) ⁽¹⁹⁾	(5,573,172)
Total other expense	<u>(2,324,793)</u>	<u>(2,774,164)</u>	<u>(1,153,722)</u>	<u>(6,252,679)</u>
Income before income taxes	12,521,125	2,277,877	(1,563,255)	13,235,747
Income tax expense (benefit)	4,745,505	740,685	(590,910) ⁽²⁰⁾	4,895,280
Net income	<u>7,775,620</u>	<u>\$ 1,537,192</u>	<u>\$ (972,345)</u>	<u>8,340,467</u>
Weighted average number of common and common equivalent shares outstanding, basic				
	<u>39,633,534</u>			<u>39,633,534</u>
Net income per share, basic	<u>\$ 0.20</u>			<u>\$ 0.21</u>
Weighted average number of common and common equivalent shares outstanding, diluted				
	<u>41,410,899</u>			<u>41,410,899</u>
Net income per share, diluted	<u>\$ 0.19</u>			<u>\$ 0.20</u>

NOTES TO UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS

Pro forma adjustments reflect only those adjustments which are factually determinable and do not include the impact of contingencies which will not be known until the resolution of the contingency. The allocation of the purchase price relating to these acquisitions is preliminary, pending the finalization of the Company's review of certain of the accounts and the finalization of the appraisal of identifiable intangible assets.

- (1) Adjustment to loan origination fees not assumed as part of the acquisition and includes origination fees related to the acquisition line and convertible debt.
- (2) Adjustment to the current portion of long-term debt and the credit line not assumed as part of the acquisition.
- (3) Adjustment to long-term debt not assumed as part of the acquisition \$1,746,064.
- (4) Adjustment to notes payable to former stockholders, net of discounts not assumed as part of the acquisition.
- (5) Adjustment to record the redemption of mandatorily redeemable series A preferred stock retired as part of the acquisition.
- (6) Adjustment to eliminate the equity of acquired company.
- (7) Adjustment to record property not purchased.
- (8) Adjustment to record the valuation of acquired intangible assets.
- (9) Adjustment to record line of credit borrowings to fund the acquisition \$28,000,000.
- (10) Adjustment to record the issuance of convertible debt sold to fund the acquisition \$80,000,000.
- (11) Adjustment to record estimated assumed liabilities at fair value.
- (12) Adjustment to property, plant, and equipment to its appraised value.
- (13) To adjust inventory to its fair value.
- (14) Record estimated professional fees as part of the acquisition \$1,000,000.
- (15) Adjustment to record estimated liabilities at fair value.
- (16) Adjustment to record estimated liabilities at fair value.
- (17) Adjustment for deferred taxes related to the acquisition.
- (18) Adjustment to eliminate Bear Lake Acquisition Corp. amortization on previously recorded intangibles and record amortization on acquisition intangibles.
- (19) Adjustment to increase interest expense for borrowings related to acquisition. A $\frac{1}{8}\%$ variance in the interest of the variable \$28,000,000 acquisition line would add an additional \$35,000 of interest expense, annually.
- (20) Adjustment to record estimated tax effect of pro forma adjustments.
- (21) Adjustment to record estimate good will.