StanleyBlack&Decker

STANLEY®

2014 Investor Update

December 12, 2013

Participants & Agenda

John Lundgren	**_Chairman & CEO_**
Jim Loree	**_President & COO_**
Don Allan	**_Senior VP & CFO_**
Greg Waybright	**_VP Investor & Government Relations_**

Agenda:

- Key Messages
- Global Franchises
- Update On November Investor Communications
  - Organic Growth Initiatives
  - Security Improvement Plan
  - Capital Allocation
- 2014 Outlook

Cautionary Statements

Certain Statements Contained In This Presentation Are Forward Looking. These Are Based On Assumptions Of Future Events Which May Not Prove To Be Accurate. They Involve Risk And Uncertainty. Actual Results May Differ Materially From Those Expected Or Implied. We Direct You To The Cautionary Statements Detailed In The Corresponding Press Release And Form 8-K And Our Recent 1934 Act SEC Filings.

Key Messages

Long-Term Strategy And Financial Objectives Remain Intact

However, Several Near Term Adjustments Have Been Made To Boost Returns…..

- Focusing On Key Operating Levers
  - Driving Organic Growth
  - Improving Security Margins
  - Achieving Operating Leverage
  - Continued Working Capital Turns Improvement
- Executing $85 Million Of Cost Actions (2014 Impact)
  - $45 Million In Security To Address Margin Opportunity
  - $40 Million Surgical Cuts In Rest Of Business To Enable Operating Leverage While Funding Growth Investments
- Returning $1.5 - $2.0 Billion Capital To Stakeholders During 2014/15
  - Extend Acquisition Moratorium By 1-2 Years
  - Share Repurchases Of Up To $1 Billion After Deleveraging In Line With Rating Goals
  - 200 – 300 Bps CFROI Improvement

Goal Is To Maximize Shareholder Value While Positioning Franchise For Long-Term Outperformance

Global Franchises – Long-Term Value Drivers

A Company With Well Established, Global Franchises

	Business Value Drivers	
#1 In Tools & Storage **- CDIY** **- IAR**	• Brand Strength – Best Stable Of Brands In Industry • Proven Innovator • Global Footprint • Scale – World's Largest Tool Company By 2X • Unique Competitive Attributes – Power Tool AND Hand Tool Leader – Construction AND Industrial & Auto Repair Market Focus – Specific Products For Developed And Developing Markets • Winning Emerging Markets Strategy	**The Tool Company To Own**
#2 In Engineered Fastening	• Highly Engineered Solutions • Recurring Revenue Model • Market Leading Innovator • Global Footprint	**High Profitability; GDP+ Growth**
#2 In Commercial Electronic Security Services	• Only Integrator With Scale In Mechanical And Electronic • Well Coordinated Global Footprint • Growth To Be Fueled By Differentiated Vertical Market Solutions • CAPEX Light Vs. Resi Model • High Margin Recurring Revenue Stream	**Niscayah Situation Provides Large Margin Accretion Opportunity**

Asset Efficiency And Customer Level Execution Aided By Stanley Fulfillment System

Organic Growth Initiatives

Growth Initiatives Are On-Track | However Incremental Investments Will Be Paced

	3 Year Cumulative Impact	
	Original	*Current*
Emerging Markets	**$350M**	**$350M**
Growth Verticals	**$150M**	**$150M**
Smart Tools & Storage	**$100M**	**$100M**
Offshore Oil & Gas	**$100M**	**$100M**
Government Sales	**$100M**	**$ -**
M&A Revenue Synergies	**$ 50M**	**$150M**
TOTAL	**$850M**	**$850M**

$150M* Investment Over Three Years Managed With "Acquisition Integration" Project Management And Governance

Goal: Drive 3 Points Of Organic Growth By 2015

Organic Growth Initiatives Are Gaining Traction and Currently Performing On Plan

2014 Organic Growth	Current Estimate
From Initiatives	~ 2 pts
Total Company	~ 4 pts

Next Step Is To Ensure Continued Momentum Into 2014 With A Focus On Maximizing Initiatives And Related Investments

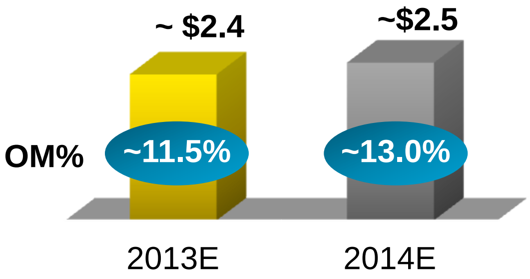
StanleyBlack&Decker

* $150M Investment Consists Of $100M In SG&A Investment And $50M In Capex.

Security Improvement Plan

Revenue ($B)

~60% NA & EM | ~40% Europe



2014

- N. America: +2-4% Organic
- Europe: ↓ 1-2%, Flat Ex. Customer Pruning
- Continued YOY OM% Improvement With Sequential Progress 2Q – 4Q

2015 And Beyond

- 3-5% Organic Growth
- 150 BPS Annual OM% Expansion Through 2016
- OM % Plateaus Around 16%

Two Different Stories…

North America

- Centralized Daily Management Model Now In Place
- Cost Reductions To More Than Offset Organic Growth Investments
- Vertical Market Solutions Growth
  - Successful First Year – Backlog Growing
  - Accretive To GM Rate
- Maturation Of Mechanical Model Shift To Independent Distributors
  - Positioning To Ride Impending Non-Resi Recovery

Improvements Well Underway

Europe

- Major Management Overhaul (Complete)
- Implementing Centralized Daily Management Model
- Managing Attrition To 10%
- Cost Reductions To Resize Business
- Late 2014 – Transfer Vertical Market Solutions In From U.S.

Clear Road Map – Longer Window Of Recovery

Steady Progress On Driving Growth And Margin Improvement

Capital Allocation

SWK Capital Allocation Priorities Focused On Improving Shareholder Returns…

- Current Focus On Addressing Niscayah Integration Issues And Improving Operational Leverage; Necessitates Extension Of Self Imposed M&A Moratorium On Major Transactions For An Additional 1-2 Years
  - Anticipate Return To 50/50 Long-Term Capital Allocation Strategy Post 2015
- Maintaining A Strong Investment Grade Credit Rating
  - Issued Hybrid Capital | Mandatory Convertible ($345M) & Jr. Subordinated Debt ($400M) In November
    - Committed To Offsetting Any Resulting Share Dilution
  - Deleveraging Remains A Near Term Priority To Achieve Debt To EBITDA* Commitment Of ~2.0X (Currently >3.0X)
  - Early Debt Extinguishment Of ~$300M Resulting In ~$25M Q4-13 Early Extinguishment Charge
- Deploying Excess FCF To Share Repurchases Will Be The Primary Use Of Cash After Deleveraging
  - $1B Of Equity Derivatives Were Secured To Lock In Attractive Prices For Share Repurchases Predominantly In 2015

2014/15 Actions Focused On Improving Capital Returns To Value Accretive Levels

Operational Improvements + $1 B Share Repurchase + ~$700M Debt Reduction

Total Impact Estimated To Improve CFROI 250BPS

…Actions Demonstrating Commitment To Maximizing Total Shareholder Return

StanleyBlack&Decker

*Adjusted For Hybrid Capital Equity Credit

Stanley Black & Decker 2014 Investor Update

Reiterating Q4'13 EPS Of $1.24 - $1.34* And ~$800M* Free Cash Flow For 2013
2013 One-Time Charges Now Expected To Be ~$400M With Recent Cost Actions
Resulting In $3.05 - $3.15 FY GAAP EPS

2014 EPS Expected To Be $5.30 – $5.50* &
$5.20 - $5.40 On A GAAP Basis

2014 Assumptions:

- All Impacts Assume 2013 At The $4.95* Midpoint Of Guidance
  - ➢ Organic Growth Expected To Be ~4% (+~$0.50 - $0.60) Inclusive Of Carry-Over Growth Investments
  - ➢ Security Margin Improvement Of ~150 BPS Expected To Contribute ~$0.15
  - ➢ Cost Actions In CDIY, Industrial And Corporate ~$0.20
  - ➢ Infastech Accretion And Carry-Over Synergies ~$0.10
  - ➢ Partially Offsetting These Items Are:
    - − Foreign Exchange: (~$0.30)
    - − Higher Tax Rate (~21-22%): (~$0.10 – $0.15)
    - − Interest & Other Expenses: (~$0.10 - $0.15)
- One-Time Charges Anticipated To Be ~$25M To Support The Infastech Integration
- Free Cash Flow Expected To Be ~$675M Which Includes ~$250M Of One-Time Payments

FY 2014 Segment Outlook:

CDIY
- Mid-Single Digit Organic Revenue Growth Expected For 2014
- OM% Expected To Increase YOY Due To Cost Reductions And Volume Leverage; Partially Offset By FX

Security
- Organic Revenue Expected To Be Flat To A Modest Increase; Driven By Growth In North America & Emerging Markets, Offset By Europe Declining Modestly
- OM% To Increase ~150 BPS YOY – NA Improvement Expected To Occur At A Faster Pace Vs. Europe

Industrial
- Mid-Single Digit Organic Revenue Growth Expected For 2014
- OM% Expected To Increase YOY Due To Cost Actions And Volume Leverage; Partially Offset By FX

Organic Growth, Cost Actions And Security Improvements Drive 2014 EPS To $5.30 - $5.50*

StanleyBlack&Decker

*Excluding Charges | Payments

Summary

Company Is Committed To Driving Both Long-Term And Near -Term Shareholder Value…

- First Priority Remains To Protect And Continuously Improve The Value Of Our Well Established, Global Franchises
- Several Actions Already Underway To Improve Near-Term Returns And Relative Performance
  - Organic Growth Initiative
  - Security Margin Improvement
  - Surgical Cost Actions To Ensure Operating Leverage
  - Ongoing Working Capital Focus
  - Capital Allocation Rebalance For 2014/15
    - Acquisition Moratorium Extension
    - Share Repurchase
    - Continued Deleveraging

Long-Term Strategy And Financial Objectives Remain Intact

APPENDIX

STANLEY BLACK & DECKER, INC. AND SUBSIDIARIES
RECONCILIATION OF GAAP SEGMENT PROFIT FINANCIAL MEASURES, AS ADJUSTED, TO CORRESPONDING NON-GAAP FINANCIAL MEASURES, AS ADJUSTED

(Unaudited, Millions of Dollars)

	FIRST QUARTER 2013			SECOND QUARTER 2013			THIRD QUARTER 2013			YEAR TO DATE 2013		
	GAAP[1]	Merger & Acquisition-Related Charges[2]	Normalized[3]	GAAP[1]	Merger & Acquisition-Related Charges[2]	Normalized[3]	GAAP[4]	Merger & Acquisition-Related Charges[2]	Normalized[5]	GAAP[4]	Merger & Acquisition-Related Charges[2]	Normalized[5]
NET SALES												
Construction & DIY	$ 1,192.4	$ -	$ 1,192.4	$ 1,445.8	$ -	$ 1,445.8	$ 1,387.5	$ -	$ 1,387.5	$ 4,025.7	$ -	$ 4,025.7
Industrial	692.0	-	692.0	809.7	-	809.7	771.4	-	771.4	2,273.1	-	2,273.1
Security	592.1	-	592.1	603.9	-	603.9	600.4	-	600.4	1,796.4	-	1,796.4
Total	$ 2,476.5	$ -	$ 2,476.5	$ 2,859.4	$ -	$ 2,859.4	$ 2,759.3	$ -	$ 2,759.3	$ 8,095.2	$ -	$ 8,095.2
SEGMENT PROFIT												
Construction & DIY	$ 169.2	$ 3.3	$ 172.5	$ 215.7	$ 2.8	$ 218.5	$ 203.9	$ 3.1	$ 207.0	$ 588.8	$ 9.2	$ 598.0
Industrial	86.3	12.4	98.7	112.0	6.1	118.1	109.2	2.3	111.5	307.5	20.8	328.3
Security	57.4	6.4	63.8	54.7	8.8	63.5	61.4	11.9	73.3	173.5	27.1	200.6
Segment Profit	312.9	22.1	335.0	382.4	17.7	400.1	374.5	17.3	391.8	1,069.8	57.1	1,126.9
Corporate Overhead	(69.0)	25.5	(43.5)	(53.7)	14.2	(39.5)	(56.4)	19.9	(36.5)	(179.1)	59.6	(119.5)
Total	$ 243.9	$ 47.6	$ 291.5	$ 328.7	$ 31.9	$ 360.6	$ 318.1	$ 37.2	$ 355.3	$ 890.7	$ 116.7	$ 1,007.4
Segment Profit as a Percentage of Net Sales												
Construction & DIY	14.2%		14.5%	14.9%		15.1%	14.7%		14.9%	14.6%		14.9%
Industrial	12.5%		14.3%	13.8%		14.6%	14.2%		14.5%	13.5%		14.4%
Security	9.7%		10.8%	9.1%		10.5%	10.2%		12.2%	9.7%		11.2%
Segment Profit	12.6%		13.5%	13.4%		14.0%	13.6%		14.2%	13.2%		13.9%
Corporate Overhead	(2.8%)		(1.8%)	(1.9%)		(1.4%)	(2.0%)		(1.3%)	(2.2%)		(1.5%)
Total	9.8%		11.8%	11.5%		12.6%	11.5%		12.9%	11.0%		12.4%

1 Reported, as adjusted for two small businesses within the Industrial and Security segments that were reported as discontinued operations during the third quarter of 2013 based on management's intention to sell these businesses.

2 Merger and acquisition-related charges, as reported, relate primarily to the Black & Decker merger and Niscayah and Infastech acquisitions, including facility closure-related charges, employee-related charges and integration costs.

3 The adjusted normalized 2013 business segment information, as reconciled to adjusted GAAP above, is considered relevant to aid analysis of the Company's segment profit results aside from the material impact of the merger and acquisition-related charges.

4 As reported in the Company's quarterly report on Form 10-Q for the quarter ended September 28, 2013 and the Q3 2013 Form 8-K dated October 16, 2013.

5 The normalized 2013 business segment information, as reconciled to GAAP above, is considered relevant to aid analysis of the Company's segment profit results aside from the material impact of the merger and acquisition-related charges.

These results reflect the Company's continuing operations. The Company sold its Hardware & Home Improvement business (HHI), including the residential portion of Tong Lung in December of 2012. The sale of this business occurred in a First and Second Closing. The First closing, which excluded the residential portion of Tong Lung, occurred on December 17, 2012. The Second closing in which the residential portion of Tong Lung was sold occurred on April 8, 2013 and the respective operating results were reported as discontinued operations through this date. In addition, in 3Q'13 the Company has reported two small businesses as discontinued operations.

Organic growth is defined as total sales growth less the sales of companies acquired in the past twelve months and any foreign currency impacts. Operating margin is defined as sales less cost of sales and selling, general and administrative expenses. Management uses operating margin and its percentage of net sales as key measures to assess the performance of the Company as a whole, as well as the related measures at the segment level. Free cash flow is defined as cash flow from operations less capital and software expenditures. Management considers free cash flow an important indicator of its liquidity, as well as its ability to fund future growth and to provide a return to the shareowners. Free cash flow does not include deductions for mandatory debt service, other borrowing activity, discretionary dividends on the Company's common stock and business acquisitions, among other items.