

StanleyBlack&Decker

STANLEY BLACK & DECKER

Robert W. Baird Industrials Conference
November 8th, 2011





Cautionary Statements

This presentation contains “forward looking statements,” that is, statements that address future, not past events. In this context, forward-looking statements often address our expected future business and financial performance and financial condition, and often contain words such as: “expect,” “anticipate,” “intend,” “plan,” “believe,” “seek,” or “will.” Forward-looking statements by their nature address matters that are, to different degrees, uncertain. These statements are based on assumptions of future events that may not prove accurate. They are also based on our current plans and strategy and such plans and strategy could change in the future. Actual results may differ materially from those projected or implied in any forward-looking statements. Please refer to our most recent SEC filings, including our Annual Report on Form 10-K, subsequently filed Quarterly Reports on Form 10-Q, as well as our other filings with the Securities and Exchange Commission, for detailed information regarding factors that could cause or contribute to actual results differing materially from those expressed or implied in such forward-looking statements. We do not undertake to update our forward-looking statements.

This presentation also contains non-GAAP financial information. We use this information in our internal analysis of results and believe that this information may be informative to investors. For reconciliation of non-GAAP measures presented in this document, see the accompanying appendix.



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NYSE: SWK

2011E Revenue: ~\$10.7B

Market Cap: ~\$11B

Dividend Yield: 2.5%

- Increased 44 Consecutive Years
- Uninterrupted For 134 Years

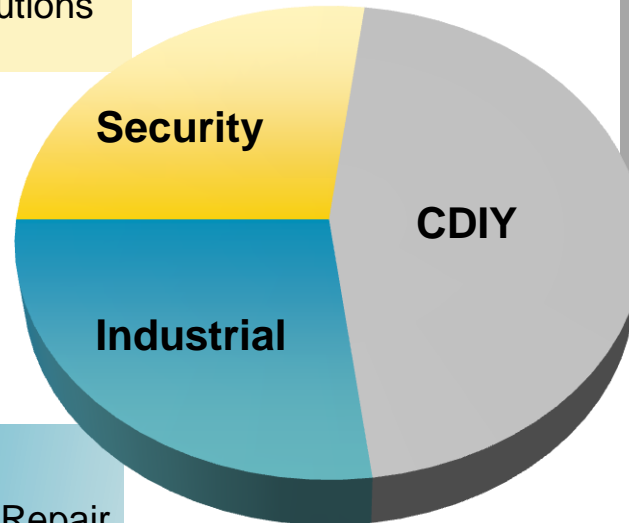
World Class Franchises In Each Segment

Security ~\$2.7B

- Mechanical Access Security
- Convergent Security Solutions
- Stanley Healthcare Solutions

CDIY ~\$5B

- Power Tools & Accessories
- Hand Tools & Storage
- Pfister (Faucets)



Industrial ~\$2.6B

- Industrial & Automotive Repair
- Engineered Fastening
- Infrastructure Solutions

Diversified End Market Exposures



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Long Term Financial Objectives (In Place Since 2004)

Sales Growth

- 4-6% Organic
- ~10-12% Total

Financial Performance

- Mid-teens % EPS Growth
- FCF \geq Net Income
- ROCE In The Range Of 12-15%

Dividend

- Continued Growth

Credit Rating

- Strong Investment Grade

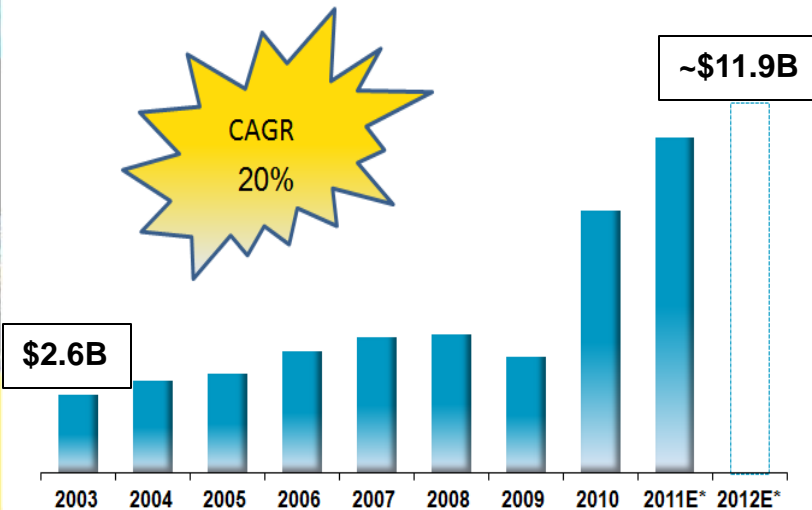
Parameters Set To Maximize Value Creation Potential

Long Term Track Record

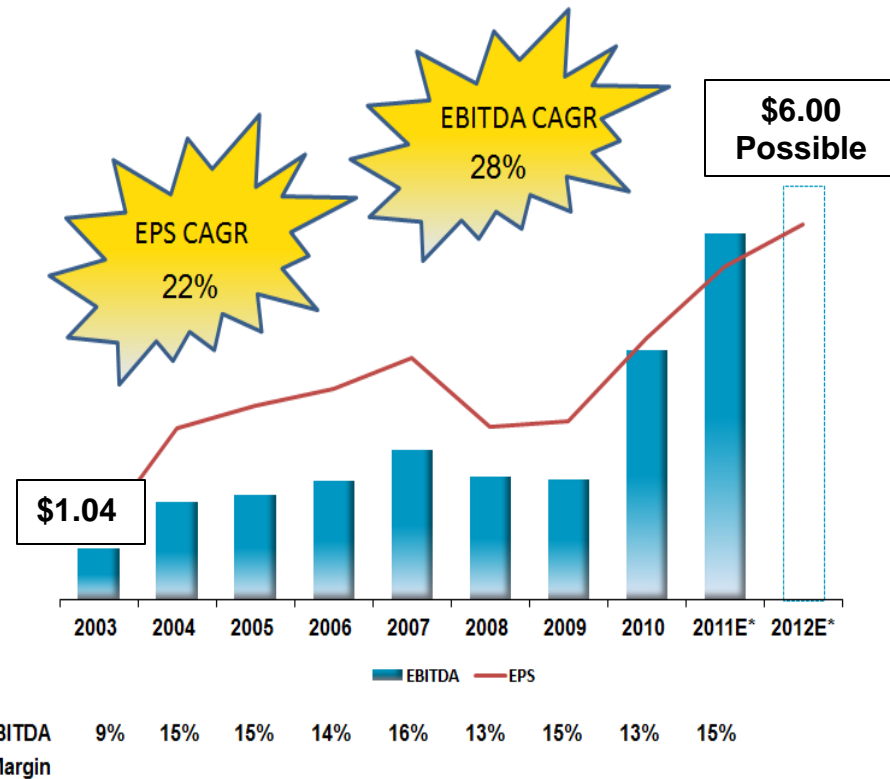
Stanley Black & Decker Has A Growth Company Track Record...

Revenue

All CAGRs '03 - '11



Profitability



...A Powerful, Long-Term Growth Engine

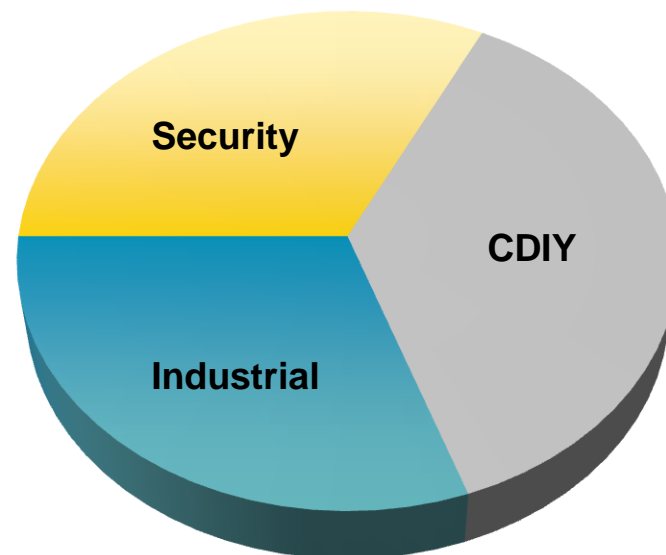
Where Do We Go From Here?

Vision:

- Revenues: \$15B By Mid-Decade
 - >15% OM
 - 15% ROCE
 - 10 Working Capital Turns

- Diversified Portfolio
 - CDII/IAR >\$7B
 - Security > \$4B
 - Engineered Fastening >\$2B
 - Infrastructure \$1 – \$2B
 - Healthcare \$1 - \$2B

A More Diversified Portfolio



% Revenues From	2002	2008	2010
U.S. Home Centers & Mass Merchants	40%	13%	31%



Back to
2008 levels

Continued Journey To Building A Diversified Industrial Leader

Compelling Growth Platforms

Five Growth Platforms

Convergent Security

Mechanical Security

Engineered Fastening

Infrastructure

Healthcare Solutions

Capital Focused On Driving Growth
In Both Core And New Platforms

Niscayah Acquisition

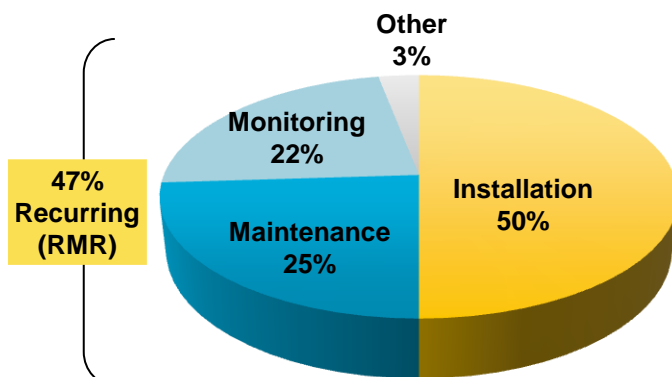
	Y1/2012**	2013	2014
Cost Synergies (\$80M Total)	~\$45M	~\$35M	~60%/40% SG&A/COGS
Adjusted EPS Impact ¹	+\$0.20		+\$0.45

Highlights

- Current Niscayah OM%= 7%; Expect To Improve To CSS Mid-Teens Average By 2014 (Y3). ~\$1.0B In 2010E Sales
- Transaction Funded Entirely With Offshore Cash Earning 50bps
- Implied LTM EBITDA Purchase Multiple Of 7.2x (Including Run-Rate Synergies)

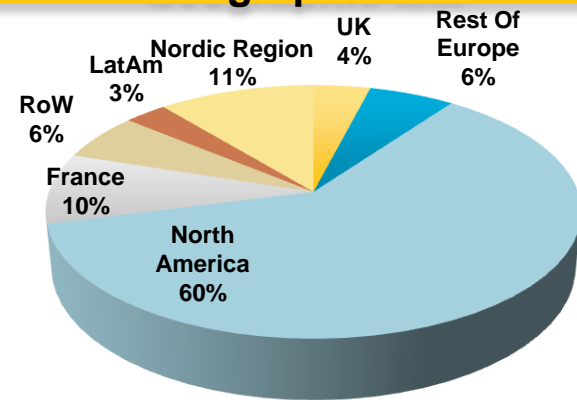
¹ Before expected one-time costs of \$60-80 Million
Year 2 Expected Cost Synergies Are Incremental

PF CSS 2010E Revenue Mix



~\$1.8B CSS Revenue

Total Security Segment 2010E Geographic Mix



~\$3.3B SSS Revenue

Integration Update

Niscayah

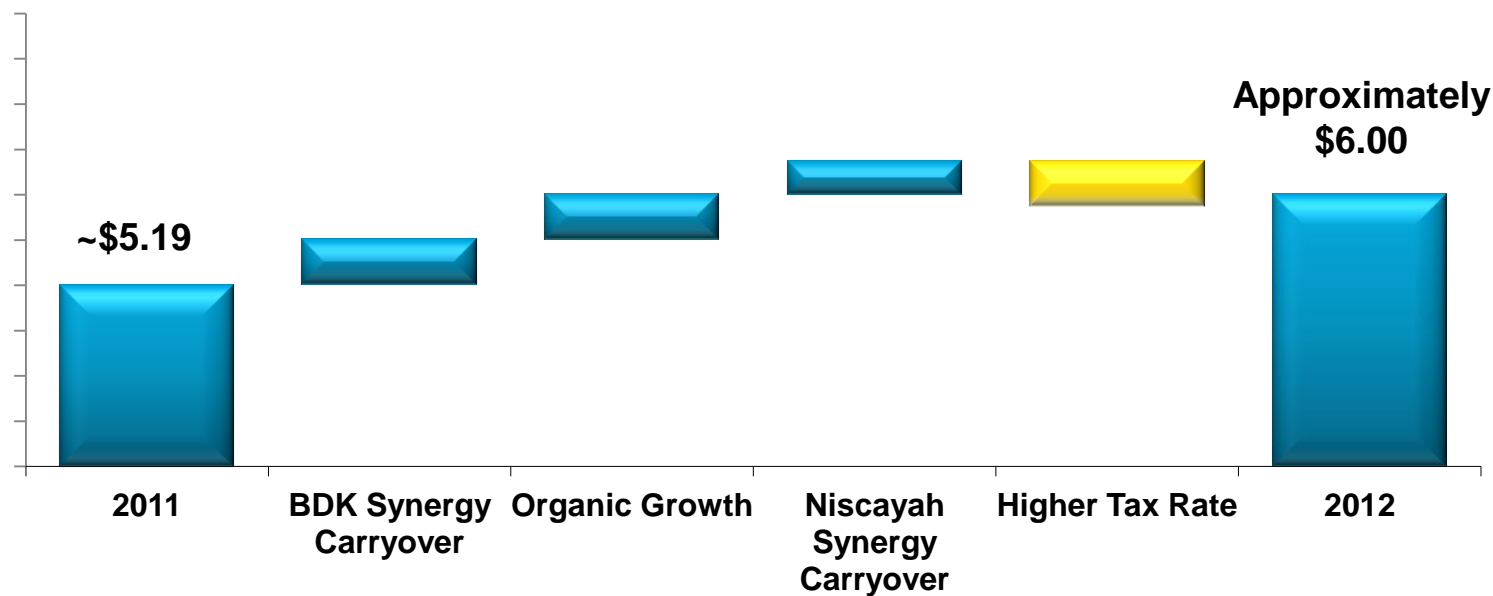
- Acquisition Closed On September 9th; Smooth First Four Weeks Of Integration Confirm Confidence In Ability To Achieve Stated Cost Synergies Of \$80M
- Compelling Cost Synergy Opportunities With Overlapping Businesses In US, UK And France
- Stanley Veteran, Massimo Grassi Named President Of Security Europe; Brings Global Experience Managing Cultures & Cross-Country Integrations

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- Projected To Achieve \$450M In Cost Synergies By Y/E 2012; Enter 2013 At \$485M On Annualized Basis
- Consolidations Of Two Major Distribution Centers & Three Major Plants Progressing On Time & On Budget
- \$115M In Incremental Cost Synergies In 2012; Drives ~\$0.50 In EPS Accretion
- Revenue Synergy Projects Yielding Strong Results
 - Remain On Track To Attain \$300M-\$400M In Incremental Revenue And \$0.35 - \$0.50 EPS Accretion By 2013
 - Compelling CDIY & IAR Tool Opportunities In Latin America - Both Argentina & Brazil

Looking Ahead To 2012

Assuming Economic Conditions Remain "As Is"...



...\$6.00 EPS For 2012 Appears Achievable

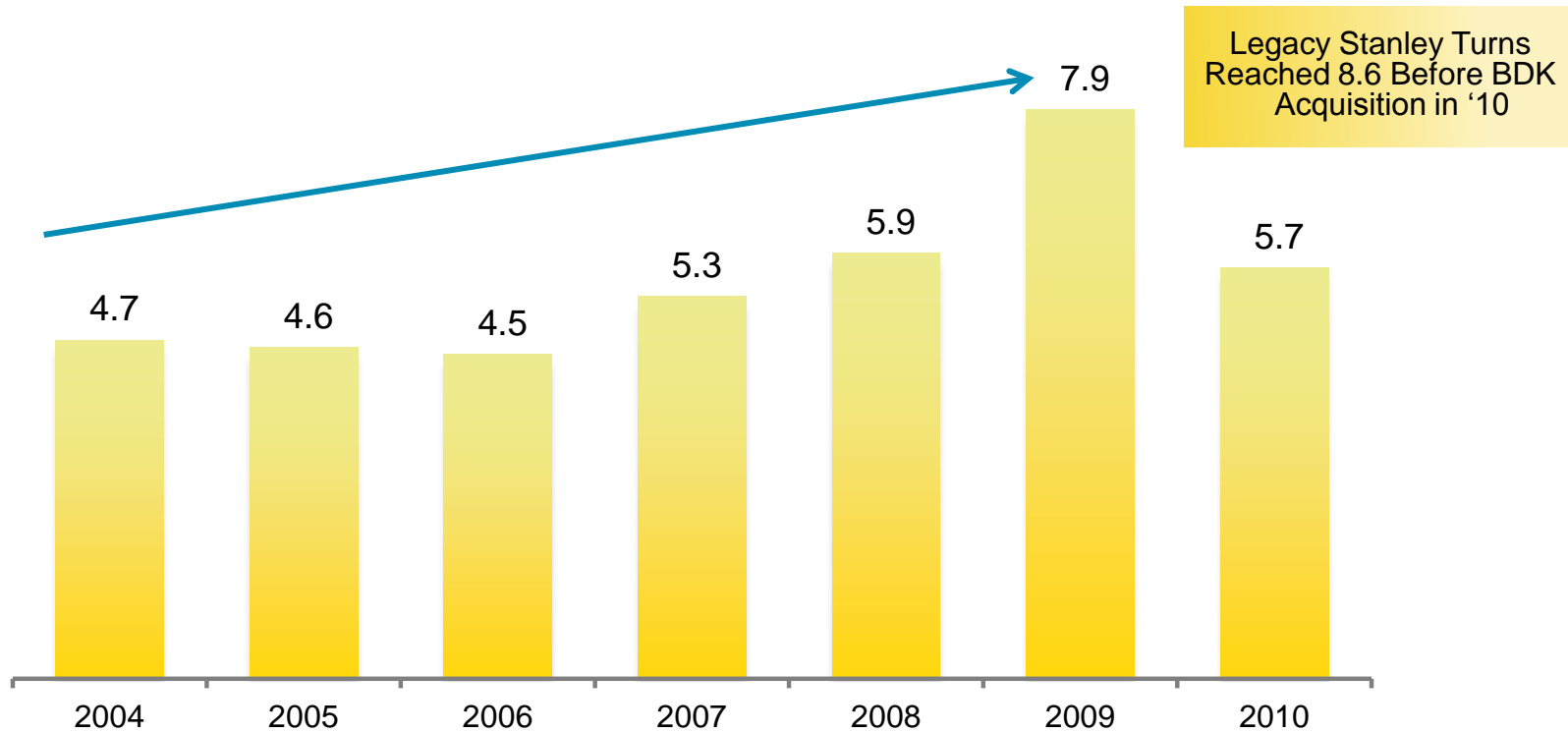
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POWERFUL FREE CASH FLOW POTENTIAL: ----- THE STANLEY FULFILLMENT SYSTEM



SFS Track Record: Proven Results

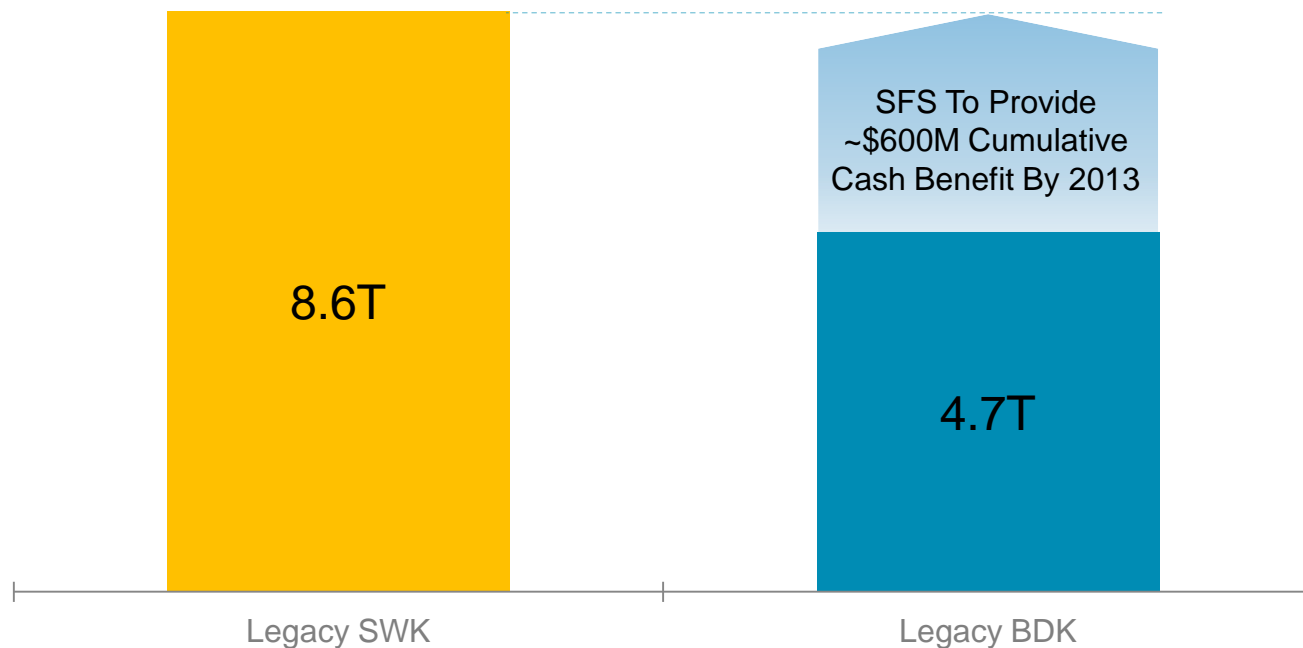
SFS Drove Favorable Trend In Working Capital Turns...



...The Challenge To Deploy The Principles
Of SFS On Legacy BDK Is Clear

SFS: The Black & Decker Opportunity

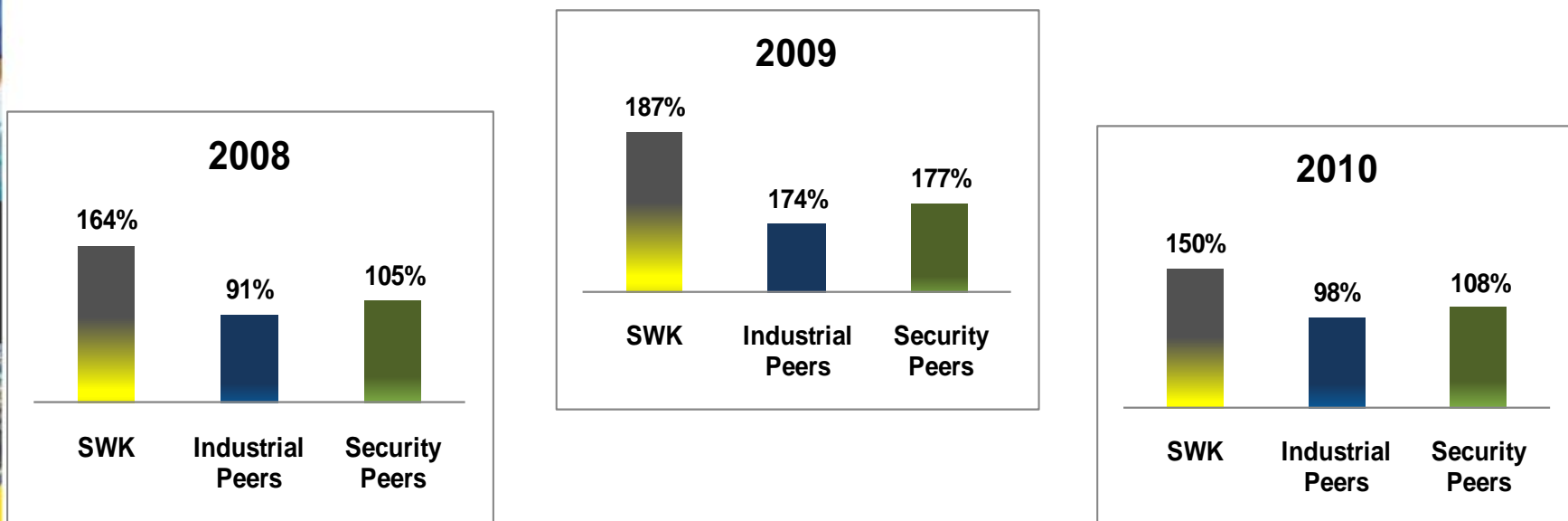
SFS Will Be Utilized To Elevate Legacy Black & Decker WC Turns To Legacy Stanley Levels...



...Large Opportunity To Free Up Dormant Capital

FCF Conversion vs. Peers

Free Cash Flow Conversion Outperformance In Legacy Stanley Business...



...Driven By Execution Focus

Source: Capital IQ-FCF/Net Income: Free Cash Flow is defined as Cash From Operations, adjusted for unusual payments, less Capital Expenditures. Net Income is adjusted for unusual charges.
Industrial/Tools Peers include ITW, Newell Rubbermaid, Snap-On, Sherwin Williams, Cooper, Danaher, Ingersoll Rand.
Security Peers include Brinks Home Security, Checkpoint, Diebold, Honeywell, Tyco, UTX, Assa Abloy and Siemens.



SWK Key Takeaways

- Growth Momentum Is Building
- Integrations Of Both Black & Decker And Niscayah Progressing Well
 - Niscayah Leadership And Integration Teams In Place
- Ongoing Global Company-Wide SFS Implementation Gaining Traction;
 - Demonstrates Organizational Agility And Effective BDK Assimilation
 - Compelling Opportunity To Generate ~\$600M In Incremental Free Cash Flow
 - Free Cash Flow To Exceed \$1.1B In 2012
- Approaching \$6.00 EPS In 2012 Appears Achievable
 - \$0.70 EPS Accretion From Niscayah And BDK Cost Synergies
 - Low Single-Digit Organic Growth Assumptions

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