

**STANLEY BLACK & DECKER, INC. AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
(Unaudited, Millions of Dollars Except Per Share Amounts)

	<b>FIRST QUARTER</b>	
	<b>2020</b>	<b>2019</b>
<b>NET SALES</b>	\$ 3,129.4	\$ 3,333.6
<b>COSTS AND EXPENSES</b>		
Cost of sales	2,106.3	2,228.0
Gross margin	1,023.1	1,105.6
<i>% of Net Sales</i>	32.7%	33.2%
Selling, general and administrative	748.5	778.9
<i>% of Net Sales</i>	23.9%	23.4%
Operating margin	274.6	326.7
<i>% of Net Sales</i>	8.8%	9.8%
Other - net	74.9	65.4
Restructuring charges	3.9	8.7
<i>Income from operations</i>	195.8	252.6
Interest - net	49.6	57.8
<b>EARNINGS BEFORE INCOME TAXES AND EQUITY INTEREST</b>	146.2	194.8
Income taxes	12.9	24.7
<b>NET EARNINGS BEFORE EQUITY INTEREST</b>	133.3	170.1
Share of net (losses) earnings of equity method investment	(0.2)	0.3
<b>NET EARNINGS</b>	133.1	170.4
Less: net (losses) earnings attributable to non-controlling interests	(0.1)	0.5
<b>NET EARNINGS ATTRIBUTABLE TO COMMON SHAREOWNERS</b>	\$ 133.2	\$ 169.9
<b>EARNINGS PER SHARE OF COMMON STOCK</b>		
Basic	\$ 0.89	\$ 1.15
Diluted	\$ 0.88	\$ 1.13
<b>DIVIDENDS PER SHARE</b>	\$ 0.69	\$ 0.66
<b>WEIGHTED-AVERAGE SHARES OUTSTANDING (in thousands)</b>		
Basic	150,330	147,863
Diluted	151,903	149,908

**STANLEY BLACK & DECKER, INC. AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(Unaudited, Millions of Dollars)

	<b>March 28, 2020</b>	<b>December 28, 2019</b>
	<hr/>	<hr/>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 987.1	\$ 297.7
Accounts and notes receivable, net	1,681.5	1,454.6
Inventories, net	2,532.4	2,255.0
Other current assets	491.9	449.3
<i>Total current assets</i>	<hr/> 5,692.9	<hr/> 4,456.6
Property, plant and equipment, net	2,036.7	1,959.5
Goodwill and other intangibles, net	13,877.4	12,859.5
Other assets	1,298.0	1,321.0
<i>Total assets</i>	<hr/> <b>\$ 22,905.0</b> <hr/>	<hr/> <b>\$ 20,596.6</b> <hr/>
 <b>LIABILITIES AND SHAREOWNERS' EQUITY</b>		
Short-term borrowings	\$ 1,674.0	\$ 337.3
Current maturities of long-term debt	3.1	3.1
Accounts payable	2,029.2	2,087.8
Accrued expenses	1,664.0	1,977.5
<i>Total current liabilities</i>	<hr/> 5,370.3	<hr/> 4,405.7
Long-term debt	4,662.6	3,176.4
Other long-term liabilities	3,912.9	3,872.3
Stanley Black & Decker, Inc. shareowners' equity	8,953.4	9,136.3
Non-controlling interests' equity	5.8	5.9
<i>Total liabilities and shareowners' equity</i>	<hr/> <b>\$ 22,905.0</b> <hr/>	<hr/> <b>\$ 20,596.6</b> <hr/>

**STANLEY BLACK & DECKER, INC. AND SUBSIDIARIES**  
**SUMMARY OF CASH FLOW ACTIVITY**  
(Unaudited, Millions of Dollars)

	<b>FIRST QUARTER</b>	
	<b>2020</b>	<b>2019</b>
<b>OPERATING ACTIVITIES</b>		
Net earnings	\$ 133.1	\$ 170.4
Depreciation and amortization	141.1	137.8
Share of net losses (earnings) of equity method investment	0.2	(0.3)
Changes in working capital <sup>1</sup>	(512.7)	(616.8)
Other	(166.9)	(122.4)
<i>Net cash used in operating activities</i>	<u>(405.2)</u>	<u>(431.3)</u>
<b>INVESTING AND FINANCING ACTIVITIES</b>		
Capital and software expenditures	(82.9)	(89.6)
Business acquisitions, net of cash acquired	(1,302.4)	(676.2)
Purchases of investments	(6.5)	(245.4)
Payments on long-term debt	-	(400.0)
Proceeds from debt issuances, net of fees	1,486.4	496.9
Stock purchase contract fees	(20.1)	(10.1)
Net short-term borrowings	1,351.9	1,419.9
Proceeds from issuances of common stock	44.6	10.2
Craftsman deferred purchase price	(250.0)	-
Cash dividends on common stock	(105.6)	(97.6)
Effect of exchange rate changes on cash	(22.6)	4.8
Other	(3.9)	(7.2)
<i>Net cash provided by investing and financing activities</i>	<u>1,088.9</u>	<u>405.7</u>
<i>Increase (decrease) in cash, cash equivalents and restricted cash</i>	683.7	(25.6)
<i>Cash, cash equivalents and restricted cash, beginning of period</i>	<u>314.6</u>	<u>311.4</u>
<i>Cash, cash equivalents and restricted cash, end of period</i>	<u>\$ 998.3</u>	<u>\$ 285.8</u>
<b>Free Cash Flow Computation<sup>2</sup></b>		
Operating cash flow	\$ (405.2)	\$ (431.3)
Less: capital and software expenditures	(82.9)	(89.6)
Free cash flow (before dividends)	<u>\$ (488.1)</u>	<u>\$ (520.9)</u>
<b>Reconciliation of Cash, Cash Equivalents and Restricted Cash</b>		
	<u>March 28, 2020</u>	<u>December 28, 2019</u>
Cash and cash equivalents	\$ 987.1	\$ 297.7
Restricted cash included in Other current assets	11.2	16.9
Cash, cash equivalents and restricted cash	<u>\$ 998.3</u>	<u>\$ 314.6</u>

<sup>1</sup> Working capital is comprised of accounts receivable, inventory, accounts payable and deferred revenue.

<sup>2</sup> Free cash flow is defined as cash flow from operations less capital and software expenditures. Management considers free cash flow an important measure 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.

**STANLEY BLACK & DECKER, INC. AND SUBSIDIARIES**  
**BUSINESS SEGMENT INFORMATION**  
(Unaudited, Millions of Dollars)

	<b>FIRST QUARTER</b>	
	<b>2020</b>	<b>2019</b>
<b>NET SALES</b>		
Tools & Storage	\$ 2,070.8	\$ 2,292.3
Industrial	590.7	555.0
Security	467.9	486.3
<i>Total</i>	\$ 3,129.4	\$ 3,333.6
 <b>SEGMENT PROFIT</b>		
Tools & Storage	\$ 234.8	\$ 265.8
Industrial	67.8	71.0
Security	20.9	39.5
<i>Segment Profit</i>	323.5	376.3
Corporate Overhead	(48.9)	(49.6)
<i>Total</i>	\$ 274.6	\$ 326.7
 <b>Segment Profit as a Percentage of Net Sales</b>		
Tools & Storage	11.3%	11.6%
Industrial	11.5%	12.8%
Security	4.5%	8.1%
<i>Segment Profit</i>	10.3%	11.3%
Corporate Overhead	(1.6%)	(1.5%)
<i>Total</i>	8.8%	9.8%

**STANLEY BLACK & DECKER, INC. AND SUBSIDIARIES**  
**RECONCILIATION OF GAAP EARNINGS FINANCIAL MEASURES TO CORRESPONDING**  
**NON-GAAP FINANCIAL MEASURES**  
(Unaudited, Millions of Dollars Except Per Share Amounts)

	<b>FIRST QUARTER 2020</b>		
	<b>Reported</b>	<b>Acquisition- Related Charges &amp; Other<sup>1</sup></b>	<b>Normalized<sup>3</sup></b>
Gross margin	\$ 1,023.1	\$ 9.1	\$ 1,032.2
<i>% of Net Sales</i>	<i>32.7%</i>		<i>33.0%</i>
Selling, general and administrative	748.5	\$ (29.8)	718.7
<i>% of Net Sales</i>	<i>23.9%</i>		<i>23.0%</i>
Operating margin	274.6	38.9	313.5
<i>% of Net Sales</i>	<i>8.8%</i>		<i>10.0%</i>
Earnings before income taxes and equity interest	146.2	61.7	207.9
Income taxes	12.9	13.1	26.0
Share of net (losses) earnings of equity method investment	(0.2)	1.0	0.8
Net earnings attributable to common shareowners	133.2	49.6	182.8
Diluted earnings per share of common stock	\$ 0.88	\$ 0.32	\$ 1.20

<sup>1</sup> Acquisition-related charges and other relates primarily to inventory step-up, deal costs, Security business transformation and margin resiliency initiatives.

	<b>FIRST QUARTER 2019</b>		
	<b>Reported</b>	<b>Acquisition- Related Charges &amp; Other<sup>2</sup></b>	<b>Normalized<sup>3</sup></b>
Gross margin	\$ 1,105.6	\$ 6.4	\$ 1,112.0
<i>% of Net Sales</i>	<i>33.2%</i>		<i>33.4%</i>
Selling, general and administrative	778.9	(23.0)	755.9
<i>% of Net Sales</i>	<i>23.4%</i>		<i>22.7%</i>
Operating margin	326.7	29.4	356.1
<i>% of Net Sales</i>	<i>9.8%</i>		<i>10.7%</i>
Earnings before income taxes and equity interest	194.8	52.6	247.4
Income taxes	24.7	12.4	37.1
Share of net earnings of equity method investment	0.3	3.4	3.7
Net earnings attributable to common shareowners	169.9	43.6	213.5
Diluted earnings per share of common stock	\$ 1.13	\$ 0.29	\$ 1.42

<sup>2</sup> Acquisition-related charges and other relates primarily to restructuring, deal and integration costs, Security business transformation and margin resiliency initiatives, and inventory step-up charges.

<sup>3</sup> The normalized 2020 and 2019 information, as reconciled to GAAP above, is considered relevant to aid analysis of the Company's margin and earnings results aside from the material impact of the acquisition-related and other charges.

**STANLEY BLACK & DECKER, INC. AND SUBSIDIARIES**  
**RECONCILIATION OF GAAP SEGMENT PROFIT FINANCIAL MEASURES TO CORRESPONDING**  
**NON-GAAP FINANCIAL MEASURES**  
(Unaudited, Millions of Dollars)

FIRST QUARTER 2020			
	Reported	Acquisition- Related and Other Charges <sup>1</sup>	Normalized <sup>3</sup>
<b>SEGMENT PROFIT</b>			
Tools & Storage	\$ 234.8	\$ 3.1	\$ 237.9
Industrial	67.8	10.4	78.2
Security	20.9	13.9	34.8
<i>Segment Profit</i>	323.5	27.4	350.9
Corporate Overhead	(48.9)	11.5	(37.4)
<i>Total</i>	\$ 274.6	\$ 38.9	\$ 313.5
 <b>Segment Profit as a Percentage of Net Sales</b>			
Tools & Storage	11.3%		11.5%
Industrial	11.5%		13.2%
Security	4.5%		7.4%
<i>Segment Profit</i>	10.3%		11.2%
Corporate Overhead	(1.6%)		(1.2%)
<i>Total</i>	8.8%		10.0%

<sup>1</sup> Acquisition-related and other charges relate primarily to inventory step-up, Security business transformation and margin resiliency initiatives.

FIRST QUARTER 2019			
	Reported	Acquisition- Related and Other Charges <sup>2</sup>	Normalized <sup>3</sup>
<b>SEGMENT PROFIT</b>			
Tools & Storage	\$ 265.8	\$ 12.6	\$ 278.4
Industrial	71.0	6.0	77.0
Security	39.5	10.8	50.3
<i>Segment Profit</i>	376.3	29.4	405.7
Corporate Overhead	(49.6)	-	(49.6)
<i>Total</i>	\$ 326.7	\$ 29.4	\$ 356.1
 <b>Segment Profit as a Percentage of Net Sales</b>			
Tools & Storage	11.6%		12.1%
Industrial	12.8%		13.9%
Security	8.1%		10.3%
<i>Segment Profit</i>	11.3%		12.2%
Corporate Overhead	(1.5%)		(1.5%)
<i>Total</i>	9.8%		10.7%

<sup>2</sup> Acquisition-related and other charges relate primarily to inventory step-up, integration costs, and Security business transformation and margin resiliency initiatives.

<sup>3</sup> The normalized 2020 and 2019 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 acquisition-related and other charges.