



Revenue Synergy Spotlight

Stanley FatMax Power Tools Launched In Canada In 1Q'12 And Will Be Launched In Other Regions Of The World In 2H'12/2013

Stanley Black & Decker 2Q'12 Overview

StanleyBlack&Decker

July 18th, 2012

Participants

John Lundgren

President & CEO

Jim Loree

Executive VP & COO

Don Allan

Senior VP & CFO

Jeff Ansell

***Senior VP & Group Executive
CDIY***

Kate W. Vanek

VP of Investor Relations

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.

2Q'12 Highlights

Strength In CDIY & Continued Successful Integrations...

- 2Q'12 Revenues Increased 8% YOY To \$2.8 Billion; Organic Revenues Up 2%
 - CDIY Grew 5% Organically; OM Rate Of 15.7%*
 - Industrial & Security Segments Pressured By Certain Weak Markets/Europe
- 2Q'12 Diluted EPS Was \$1.32*; \$0.92 Diluted GAAP EPS
- Black & Decker Integration To Yield Incremental \$50M In Cost Synergies In 2013
 - \$500M In Total Since March 2010 Commencement As Combined Company, Up From Original Estimate Of \$350 Million
 - Revenue Synergies, Such As FatMax Power Tools & DeWalt Hand Tools Driving Growth Around The Globe
- Niscayah Integration On Track: PF CSS Europe OM% Up 270 BPS YOY
- Increased Dividend By 20%; 45th Consecutive Annual Dividend Increase
- \$200M Share Repurchase In 2Q; Board Approved New 20M Share Program (\$1.2B)

...Helped To Mute Economic & Currency Headwinds In 2Q

2Q'12 Sources Of Growth

Organic Revenues Grew 2% In A Quarter Filled With Headwinds...

Sources Of Growth

	2Q'12
Volume	+1%
Price	+1%
Organic	+2%
Acquisitions	+10%
Currency	-4%
SWK	+8%

2Q'12 Organic Growth

	2Q'12
PPT	+9%
CPT (Incl. Outdoor)	+9%
Industrial	+1%
HT&F	-1%
CSS (PF w/ Niscayah)	-3%
MAS Commercial	-4%
Other Security	-5%

...Due To Solid Growth In CDIY & Engineered Fastening

2Q'12 Vs Prior Year Global Presence

Organic Sales In Europe Declined Only 2% Due To CDIY Strength...

Canada 2Q'12

Organic +10%
% SBD 6%

Emerging Asia 2Q'12

Organic +9%
% SBD 3%

Europe 2Q'12

Organic -2%
% SBD 27%

Japan 2Q'12

Organic +31%
% SBD 2%

US 2Q'12

Organic +1%
% SBD 52%

L.Amer. 2Q'12

Organic +7%
% SBD 8%

Australia 2Q'12

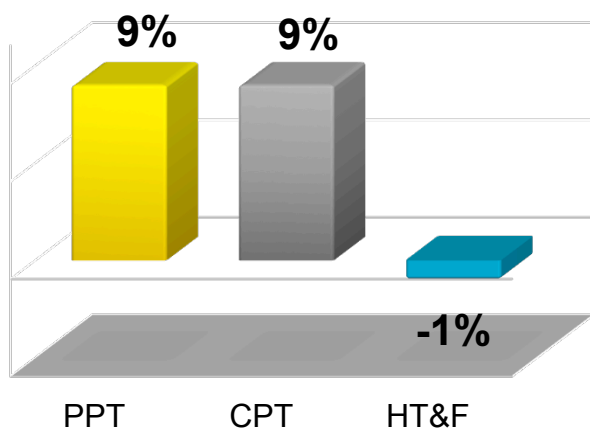
Organic -9%
% SBD 2%

...But Fell 5% Excluding CDIY Due To Pressure In IAR & Security

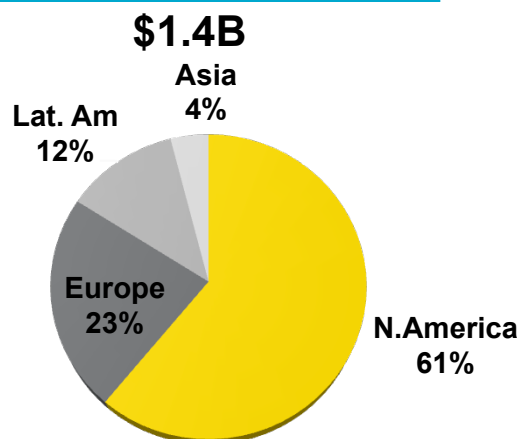
2Q'12 CDIY

Continued Success With New Products & Growing Market Momentum In U.S.

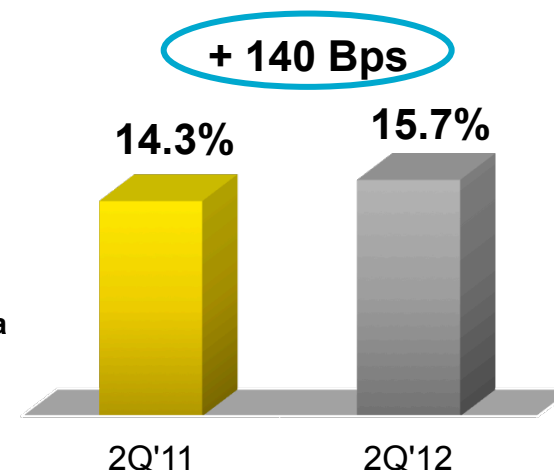
Organic Growth



Regional Revenue



Profit Rate*



Construction & Do-It-Yourself

- Organic Revenues ↑ 6% (↑5% Including Pfister)
 - High Single-Digit Growth In NA Due To PPT & CPT Strength At Home Centers
 - ↑ 2% In Europe Driven By HT&F And CPT – New Products & Share Gains Particularly In The UK
- OM Rate Rose 140 BPS Due To Volume Leverage, Improved Price/Inflation Recovery & Cost Synergies
- Acquired Powers Fasteners: \$140M ('12E) Concrete Fastening Company With 90% Sales Tied To Non-Res Construction
 - Ability To Expand Into Fragmented \$3.8B Global Concrete Fastening Market
 - Creates Only Concrete Tool, Fastener And PTA Portfolio In STAFDA

Stanley Black & Decker CDIY – 28 Months Post-Merger

Point Of Sale (POS) & Ave. Annual Growth

- **POS Average Q4 '11-Q2 '12:**
 - Volumes +5%/POS +4%
- **CDIY POS ↑ Mid Single Digits Since Merger**
 - DEWALT 2X Average
- **AAGR Vs. Key US Customer Comp Store Growth '10 – YTD 2012**
 - CDIY +3.5% Vs. Major US Customer Ave +2.5%
 - CDIY Growth Fuels Customer Growth & Customer Growth Fuels CDIY Growth

Market Share

- **Gained ~ 200bps Of Global Market Share** Over 2010 & 2011; Both Years Representing Share Gain
- **DEWALT Cordless**
 - >+50% Growth To Market To Record Level As Of YTD 2012
 - Since YE'09: NiCad Has Remained Flat While Li Ion Has Grown 5x Faster To Commensurate Size & Profitability Levels

Profitability

- **CDIY Profitability ↑ 600bps* Vs. '09 Rates**
- **Record Profitability** Driven Through NPD, Accessory Growth, SFS &, EM Gains
- Profitability Has Increased With And Without The Benefit Of Synergy
 - +100bps Organic & +600bps Total

New Products & Revenue Synergies

- **NPD/Revenue Synergy Drivers Since Merger:**
 - **DEWALT & BOSTITCH HT:** +200 SKUs= Share Gain
 - **FatMax PT:** Global Launch In '12 & '13
 - Targeting MPP Global Position
 - **Emerging Markets Pervasive Expansion**
 - **Powers Acquisition**
 - Global Opportunity In Adjacent Category

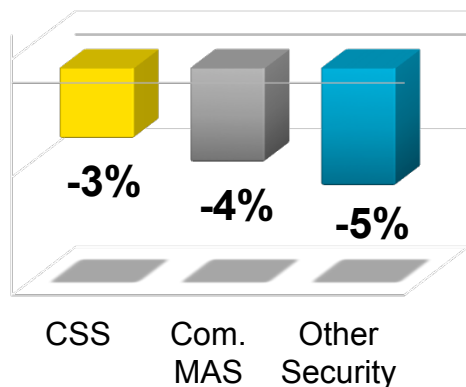
Solid Track Record And Strong Trajectory For Future Top & Bottom Line Growth

*Excluding M&A Charges/Payments
POS = Top US Retailers = ~ 40% Of Global CDIY Business

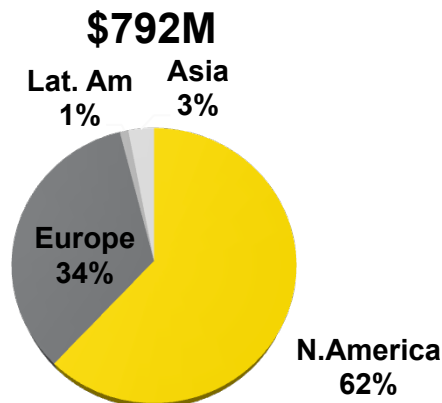
2Q'12 Security

~200BPS Expansion In Operating Margin Rate Versus 1Q'12

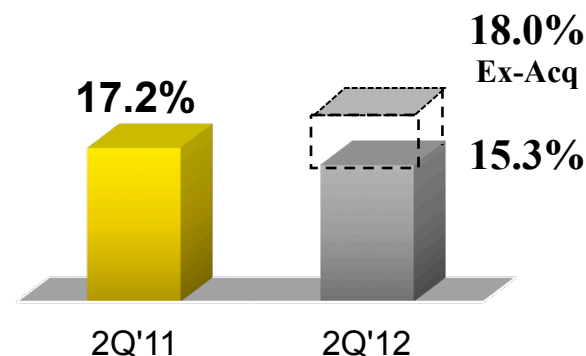
Organic Growth



Regional Revenue



Profit Rate*



Convergent Security Solutions (CSS)

- CSS Down 3% Due To Low-Single Digit Revenue Declines In Europe; Flat 2Q Performance In NA With Both Installs & RMR Flat
- Niscayah Integration Continued To Progress Smoothly; PF CSS Europe OM% ↑ 270 bps - Niscayah Revenue Down 5% YOY As Expected

Commercial MAS

- Access Growth Impacted From CapEx Cutbacks At Largest Customer
- Commercial Hardware Sales Down 4%- Impacted By Sluggish US Retrofit Market & MAS Product Gap
- Initiated Tender Offer To Acquire Tong Lung, Taiwanese Commercial & Residential Door Lock Manufacturer; Enhances Cost Competitiveness, ↑ Engineering And R&D Capabilities

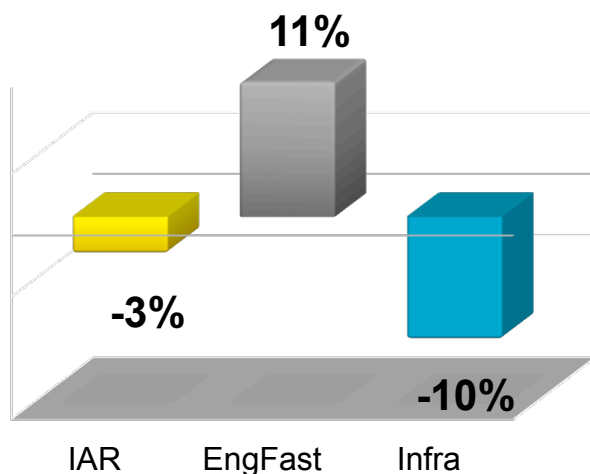
Other Security

- MAS Resi Down Low Single Digits As Market Slowed Somewhat From 1Q Strength
- Obamacare Uncertainty Constrained CapEx At Healthcare Providers
- Acquired AeroScout: \$40M ('12E) #1 Player In Emerging Healthcare Real Time Location Systems (RTLS) Solutions Market

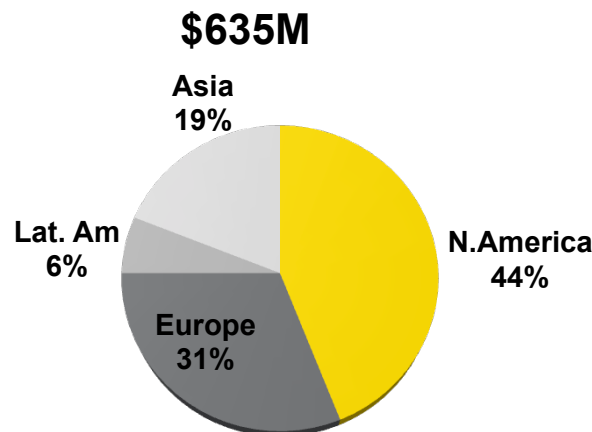
2Q'12 Industrial

Strength In Engineered Fastening More Than Offset Europe-Driven Weakness In IAR and Infrastructure Market Pressures

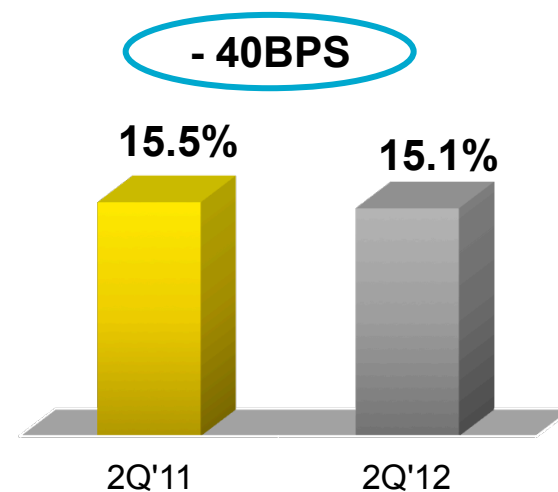
Organic Growth



Regional Revenue



Profit Rate*



Industrial & Automotive Repair (IAR)

- Organic Revenues Down 3% VPY As Strength In Emerging Markets Helps To Mute Double-Digit Declines In Europe
- High Single-Digit Organic Growth & OM Growth In NA Mobile Distribution Business; Soft Government Vertical Pressured Industrial Distribution & Storage
- Healthcare Acquisition Of AeroScout Enables Sharing Of RFID/RTLS Technology To Be Deployed For IAR Tools & Storage

Engineered Fastening

- Tenth Consecutive Q Of Double-Digit Growth & Record 2Q Performance
 - Auto Fastening Sales In Europe ↑ 6% Organically Despite 11% Decline In European Light Vehicle Production; Total Organic Sales In Europe Flat As Weakness In Industrial Fastening Offsets Strength In Automotive

Infrastructure (Hydraulics & CRC-Evans)

- Weak North American Onshore Pipeline Market Pressures CRC-Evans; Organic Revenues Down 10%

Organic Growth Initiatives In Focus

SWK Is Focused On Five “Mega” Organic Growth Initiatives To Supplement NPI Efforts...

1. Emerging Markets

- New Dedicated SBUs For:
 - MPP Hand Tools, Power Tools & Commercial Hardware Products
 - Significant “Feet On Street” Additions
- ✓ ~\$300M Year 3 Annualized Growth Potential

2. IAR “Smart” Tools & Storage

- Leverage CribMaster & AeroScout Technologies Into Industrial Markets
 - MRP Vending
 - “FOD” Control
 - Electronic Kanbans
 - Plant Productivity Monitoring
 - New SBU Formed Under IAR
 - \$60M In Orders Already In Place
- ✓ ~\$100M Year 3 Annualized Growth Potential

3. Offshore Oil & Gas Pipeline Services

- \$450M Addressable Market Opportunity
 - ‘12: Bundled Solutions Offered To Spoolbase Owners For Single POS
 - ‘13: Automated, Portable Spoolbases
- ✓ ~\$100M Year 3 Annualized Growth Potential

4. RTLS Enabled Security

- Leverage AeroScout RTLS Capability Into Electronic Security Market
 - Includes Major Thrust Into The Acute Care Facility Vertical (Healthcare)
- ✓ ~\$100M Year 3 Annualized Growth Potential

5. Continue To Exploit BDK Revenue Synergies: On Track To Achieve \$300-\$400M By 2013

...Will Invest ~\$25M In OpEx Annually To Drive Growth In Economically Challenged Times

Working Capital

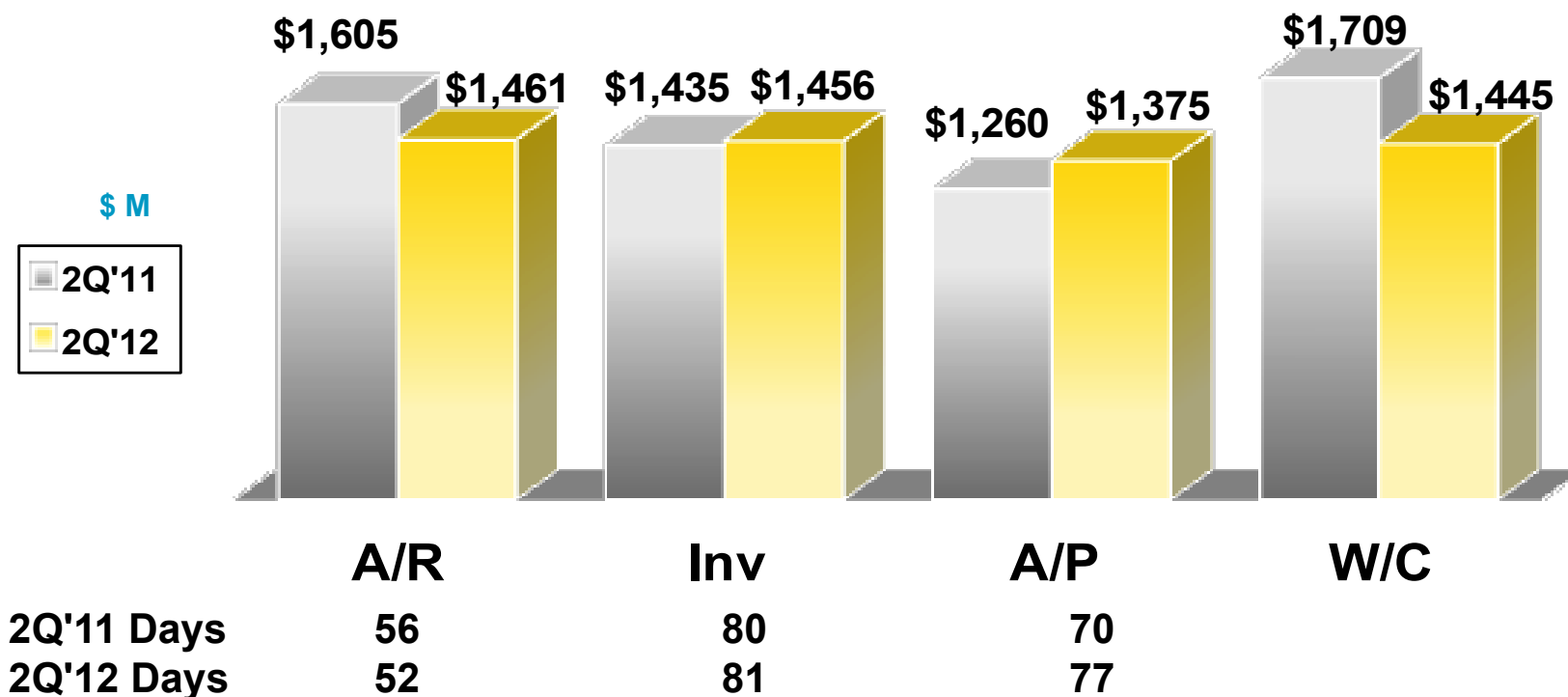
SFS Continues To Drive Supply Chain Efficiency

-4 Days

+1 Days

+7 Days

6.1T → 7.1T



~\$300M* FCF YTD; Tracking To \$1.2B* Annual FCF Guidance

Portfolio Transformation & Capital Allocation Update

Hardware & Home Improvement (HHI)

- ~\$940M In Revenues
- Operates Largely Under Kwikset, Baldwin, Weiser, Stanley, National & Pfister Brands
- No CDIY Products – All But Pfister In Security Segment
- 90% North American Revenue Base
- 50%+ Of Revenue From US Homecenters

Reviewing Strategic Alternatives- May Include Divestiture

Likely After Tax Proceeds Significantly In Excess Of \$1B

Hardware & Home Improvement (HHI)

- Healthy Business But Geographic Footprint & Long-Term Growth Prospects Inconsistent With SWK Strategy To Diversify Away From Residential Construction/Homecenter Exposure
- \$5B CDIY Portfolio Of World-Class Brands & Market Leading Positions Provide Exposure To Housing

Capital Reallocation

Share Repurchase

- New 20M Share Buyback Authorization = \$1.2B In SWK Common Stock

Modest Deleveraging

- Maintain Strong Investment Grade Credit Rating

Engineered Fastening Asset

- ~\$500M In Revenue
- Highly Synergistic Asset
 - Favorable Growth Characteristics
 - Strong Concentration In Emerging Markets
- Only Proceed If Can Be Obtained For Reasonable Multiple That Implies Strong And Rapid Accretion Profile & Meets SWK's Stringent Return Thresholds.

None Of Possible Scenarios Is Expected To Result In Significant Annualized EPS Dilution

Stanley Black & Decker 2012 Outlook Update

The Company Now Expects FY'12 EPS To Be In The Range Of \$5.40 - \$5.65* From Prior Range Of \$5.75 - \$6.00 Based On The Following Key Operating Assumptions:

Reiterating...

Organic Net Sales To Increase 1-2% From A 2011 Pro Forma (To Include Niscayah) Revenue Base Of \$11B

- Includes Impact Of BDK Revenue Synergies

- **North America Up ~1% (+1.3% YTD)**
- **Europe Down ~3% (-1% YTD)**
- **Emerging Markets Up ~10-15% (+12% YTD)**

\$115M In BDK Cost Synergies And \$45M Due To The Niscayah Acquisition

Cost Reduction Actions (Targeted At Discretionary Spend) With Pre-Tax Benefits Totaling ~\$150M

Share Count To Be 167M

Free Cash Flow To Be ~\$1.2B* - Assumes Modest Benefit From Working Capital

Updating...

Incremental Headwind From Foreign Exchange Of \$55M In Operating Margin

Interest/ 'Other Net' To Be ~\$400M, Up From \$380M Due To Foreign Exchange

~\$50M Negative Impact Due To Mix Of Lower Security & Industrial Vs CDIY

Incremental \$50M In Cost Actions To Impact 2H'12 Largely Headcount Related

Net Neutral Impact From 2Q Acquisitions Of Powers & AeroScout

Full Year Tax Rate Still Expected To Be 22-23%, However, The 3Q Tax Rate Is Likely To Be In The Mid-to-High 20% Due To Timing Of Certain Tax Contingencies

Negative Mix Offset By Incremental Cost Actions, Yet FX Pressures Result In Lower Annual Guidance

Stanley Black & Decker Segment Outlook

Margin Rate Growth Expected To Increase Throughout 2012...

CDIY

- Mid Single-Digit Organic Revenue Growth Expected For 2012
- Anticipate Continued OM% Expansion Above 2Q'12 Level In 2H'12 Due To Favorable Price/Inflation (at current commodity prices), Cost Synergies, Cost Actions & Volume Leverage
- No Assumption US Housing Rebound; Market Share Gains & New Products/Revenue Synergies To Continue To Drive Growth

Security

- Low Single-Digit Organic Revenue Declines Expected For 2012
- Despite Drag On Segment Margins Due To Lower Volumes & Niscayah, Cost Synergies & Cost Containment Actions To Result In Relatively Flat FY'12 OM% vs. FY'11

Industrial

- Low Single-Digit Organic Revenue Growth Expected For 2012 Due To Tough Comps & Europe
- FY'12 OM% Expected To Be Moderately Higher Than FY'11 OM% As Cost Actions Partially Mitigate FX & Volume Pressures In 2H'12
- Growth In Engineered Fastening To Moderate But Continue To Outpace IAR Due To Weakness In Europe & Infrastructure Due To Soft North American Onshore Pipeline Market

...Proactive Cost Containment & Successful Integrations To Drive EPS In 2012

Summary

SWK: Strong Track Record Of Navigating Through Challenging Macroeconomic Times...

- Negative Mix Offset By Incremental Cost Actions, Yet FX Pressures Result In Lower Annual Guidance
- Niscayah And Black & Decker Integrations Continue To Yield Success
 - Cost Synergy Estimate For BDK Raised To \$500M: Incremental \$50M In 2013
- 20% Dividend Increase & 20M Share Repurchase Authorization In Place
- Outside Of HHI Related Activity: Curtailment Of Any Other Major Bolt-On Acquisition Activity For 12 To 18 Months
 - Focus On Key Organic Growth Initiatives To Drive \$500-\$600M In 3 Years
- Stanley Fulfillment System To Drive Continuous Improvement; WCT Up 16% To 7.1 Turns
- ~\$1.2 Billion* In Free Cash Flow Forecast For 2012; 20% Increase From 2011

...Agility, Proactive Cost Containment & Focus On Organic Growth Key

APPENDIX

Stanley Black & Decker 2012 Outlook Appendix

Including All M&A Charges, The Company Expects EPS To Approximate \$3.98 To \$4.34 In 2012

The Company Estimates The M&A Related Charges To Be As Follows:

- Total M&A Related Costs In 2012 To Be \$275-\$300 Million Consisting Of Restructuring And Related Costs Associated With Severance Of Employees And Facility Closures, Certain Compensation Charges And Advisory And Consulting Fees.

Corporate Overhead To Be ~\$170M For The Full Year

- *\$455M Of D&A (\$210M A, \$245M D)*
- *Cash EPS Of ~\$6.40 - \$6.65 (Excludes A)*

Note: The company sold three small businesses during the fourth quarter of 2011 for total cash proceeds of \$27.1 million. The largest of these businesses was part of the company's Industrial segment, with the two smaller businesses being part of the company's Security segment. Total sales associated with these businesses were \$19.9 million in 2Q 2011. These businesses were sold as the related product lines provided limited growth opportunity or were not considered part of the company's core offerings. The operating results of these three businesses have been reported as discontinued operations in the Consolidated Statement of Operations.

Organic sales 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. The normalized statement of operations, cash flows and business segment information, as reconciled to GAAP on pages 14-19 for 2012 and 2011, is considered relevant to aid analysis of the Company's operating performance, earnings results and cash flows aside from the material impact of the one-time charges and payments associated with the Black & Decker merger, Niscayah acquisition and other smaller acquisitions of the Company.