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 2019 Annual Report on Form 10-K, subsequently filed Quarterly reports on Form 10-Q, as well as our other filings with the SEC, 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 does not constitute an offer to sell or a solicitation of an offer to buy any securities of Stanley Black & Decker, Inc. (the "Company"). If the Company were to conduct an offering of securities in the future, it would be made under an effective registration statement, and a prospectus relating to that offering could be obtained from the underwriters of that offering or from the Company.

This presentation also contains non-GAAP financial information, including CFROI. CFROI is defined as cash flow from operations plus after-tax interest expense divided by a 2-point average of debt and equity. CFROI is considered important as it is a cash-based measure of value creation that ties our strategic focus to returns. Reconciliations of other non-GAAP measures are provided in our annual SEC filings announcing financial results, and may be found in the accompanying appendix. We use this information in our internal analysis of results and believe that this information may be informative to investors.
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1000 Stanley Drive  
New Britain, CT 06053  
investorrelations@sbdinc.com
A Global Leader With World Class Franchises

STANLEY BLACK & DECKER (NYSE: SWK)

2019 Revenue: $14.4B
Market Cap: $24.1B
Cash Dividend Yield: 1.8%

Dividend Paid Consecutively For 144 Years; Increased For Past 53 Consecutive Years

Industrial $2.4B
• STANLEY Engineered Fastening
• Infrastructure

Security $1.9B
• Commercial Electronic Security
• Automatic Doors

Tools & Storage $10.1B
• Power Tools & Equipment
• Hand Tools, Accessories & Storage

Vision

Known For Innovation
Continued Top Quartile Performance
Social Responsibility

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Vision

Known For Innovation
Continued Top Quartile Performance
Social Responsibility
Diversified Globally With Approximately 60% Of Our Revenues Generated In The U.S.
Strategic & Financial Objectives

**Strategic Framework**

<table>
<thead>
<tr>
<th>Continue Organic Growth Momentum</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Utilize SBD Operating Model As A Catalyst</td>
</tr>
<tr>
<td>• Mix Into Higher Growth, Higher Margin Businesses</td>
</tr>
<tr>
<td>• Increase SBD Weighting Of Emerging Markets</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Be Selective And Operate In Markets Where</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Brand Is Meaningful</td>
</tr>
<tr>
<td>• Innovation Drives Definable &amp; Sustainable Value Proposition</td>
</tr>
<tr>
<td>• Global Cost Leadership Is Achievable</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Pursue Acquisitive Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Build Upon Global Tools Platform</td>
</tr>
<tr>
<td>• Expand Industrial Platform (Engineered Fastening</td>
</tr>
<tr>
<td>• Commercial Electronic Security Acquisitions [<em>Pending Transformation</em>]</td>
</tr>
</tbody>
</table>

**Our Long-Term Financial Goals**

- **Revenue Growth**
  - ~4-6% Organic
  - ~10-12% Total

- **Financial Performance**
  - ~10-12% EPS Growth*
  - FCF ≥ Net Income
  - CFROI In 12-15% Range

- **Dividend**
  - Continued Growth

- **Credit Rating**
  - Strong Investment Grade

---

*7-9% Excluding Acquisitions | Excludes M&A Related Charges

**Key Themes: Sustain Above-Market Organic Growth And Margin Expansion**
Global Franchises – Long Term Value Drivers

**A Company That Has Built Well Established, Global Franchises…**

<table>
<thead>
<tr>
<th>Business Value Drivers</th>
<th>The Tool Company To Own</th>
<th>Potential Margin Accretion Opportunity Longer Term</th>
<th>High Profitability; GDP + Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>#1 In Tools &amp; Storage</strong></td>
<td>• Brands • Innovation • Global Scale » Power &amp; Hand Tools » Construction, DIY, Auto Repair &amp; Industrial » Developed &amp; Developing Market Presence</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>#2 In Commercial Electronic Security</strong></td>
<td>• High Value Added Solutions • Recurring Revenue Model • CapEx Light Vs. Resi Model • Global Footprint</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>A Global Leader In Engineered Fastening</strong></td>
<td>• Highly Engineered, Value Added Innovative Solutions • Recurring Revenue Model • Global Scale</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

...With Asset Efficiency And Customer Level Execution Aided By The SBD Operating Model
Stanley Black & Decker Value Creation Model

**Strong, Innovation-Driven Businesses In Diverse, Global Markets**

- Outsized, Capital-Efficient Organic Growth
- Attractive, Expandable OM Rate
- Outstanding FCF Conversion

**Powered By:**
- Investor-Friendly Capital Allocation
  - ~1/2 M&A
  - ~1/2 Return Cash To Shareholders

**Long Term Financial Objectives**
- 4-6% Organic Growth
- 10-12% Total Revenue Growth
- 10-12% EPS Growth*
- FCF ≥ Net Income
- 10+ Working Capital Turns
- CFROI In 12-15% Range

**World Class Branded Franchises With Sustainable Strategic Characteristics That Create Exceptional Shareholder Value**

*7-9% Excluding Acquisitions | Excludes M&A Related Charges
Our Evolving Operating Model

- **EXTREME INNOVATION**
  - Core Innovation
  - Breakthrough Innovation
  - Social Impact
  - Innovation Everywhere
  - Innovation Ecosystem

- **PERFORMANCE RESILIENCY**
  - Margin Expansion, Plan For Volatility
  - Technology-Enabled Value Creation
  - Advanced Data Analytics
  - Lifelong Learning
  - Transforming The Way We Work

- **EXTRAORDINARY CUSTOMER EXPERIENCE**
  - Commercial Excellence
  - Personalized Execution
  - Distinctive Brands, Products And Solutions
  - World-Class Service

- **OPERATIONS EXCELLENCE**
  - Customer-Driven Service Metrics
  - Agile Supply Chain
  - Lean/Industry 4.0
  - Make Where We Sell
  - 10+ WCT
Portfolio Vision

We Envision A More Balanced Portfolio Aided By Capital Deployment…

FY2018

$14B REVENUE

Security $2.0B 14%

Industrial $2.2B 16%

Tools & Storage $9.8B 70%

Revenue Growth Assumptions

~4-6% Organic

~10-12% Total Revenue CAGR

FY2022 Vision

Security ~10%

Industrial 15-20%

Lawn & Garden 15-20%

Tools & Storage 50-60%

…Portfolio Decisions Will Focus On Maximizing Long-Term Shareholder Value
Acquisitive Growth

Active Pipeline For Potential Acquisition Targets…

Acquisition Criteria

- Strategic Fit
- Organizational Capacity
- Financial Evaluation
  - Organic Growth & Profitability Consistent With Company Targets
  - Accretive Year 1 Excluding Charges
  - Achieve 12-15% CFROI, Consistent With Our Long-Term Financial Objectives
  - Value Creation Opportunity > Share Repurchase

Acquisitive Growth Areas

- Tool Industry Consolidation
- Industrial Segment Expansion
- Lawn & Garden
- Commercial Electronic Security
  - Pending Transformation

...Acquisitions Remain An Important Element Of Growth Formula
Global Brand Power

A Powerful Portfolio Of Well Managed Brands

Stanley
Black+Decker
DeWALT
PORTER CABLE
BOSTITCH
PROTO
MAC TOOLS
FACOM
AeroScout
Powers
FASTENING INNOVATIONS
SIDCHROME
Vidmar
SONITROL
LISTA
CRAFTSMAN
LENOX
IRWIN TOOLS
Global Brand Support

- **626 Million** Global Fan/Followers Reach
- **45 Million** Website Visits
- **1 Million +** Brand Mentions/Month
- **24 Billion** Global Media Impressions
Purpose-Driven Responsibility

**Sustainability Performance**

**Global 2030 CSR Strategy**

- **Empower Makers**
- **Innovate with Purpose**
- **Create a More Sustainable World**

Enable 10 million creators and makers to thrive in a changing world.

Innovate our products to enhance the lives of 500 million people and improve environmental impacts.

Positively impact the environment through our operations.

With the launch of our 2030 Global Corporate Social Responsibility Strategy, we are elevating our commitment to CSR by focusing our efforts where they can have the most impact: empowering makers, innovating with purpose and creating a more sustainable world.

**6 Consecutive Years**

**DJSI NA Index – 9 Years**

**DJSI World Index – 2 Years**

**ENERGY INTENSITY (GJ/MTU)**

**WASTE INTENSITY (MTSHR)**

**LOST TIME RATE (INCIDENTS/100 HEADS)**

**CARBON INTENSITY (MTCHP)**

**WATER INTENSITY (GAL/HR)**

**TOTAL RECORDABLE RATE (INCIDENTS/100 HEADS)**

**Sustainable Development GOALS**

**Science Based Targets**

**Driving Ambitious Corporate Climate Action**

Elevating and Executing On Our Commitment To Corporate Social Responsibility

StanleyBlack&Decker
Corporate Governance

Board Composition And Governance Features

- Independent Chairman
- Balance Of Institutional Knowledge And Fresh Perspective
- Key Governance Features:
  - Proxy Access
  - Annual Say-On-Pay Vote
  - Recoupment Policy Relating To Unearned Management Compensation
  - Robust Stock Ownership Guidelines For Directors & Management

Board Refreshment And Tenure

Average Tenure Of 7.1 Years

<table>
<thead>
<tr>
<th>Tenure</th>
<th>1</th>
<th>4</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;= 3 years</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>4 - 5 years</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>&gt; 5 years</td>
<td>-</td>
<td></td>
</tr>
</tbody>
</table>

Average Age Of 60.6 Years

Age Range 49-73 Years

Management Incentives Support Our Long-Term Objectives

Annual Incentives On Performance Against:

- EPS
- Cash Flow Multiple
- Organic Sales Growth

Long-Term Incentives On Pre-Established Performance Goals On:

- CFROI
- EPS
- Relative TSR

Corporate Governance Policies That Align The Interests Of Management With Shareholders

As of March 4, 2020
Created World Class Global Franchises…

Revenue ($B) 5%
2019 Five-Year CAGR

Adjusted EPS* 8%
2019 Five-Year CAGR

Free Cash Flow ($M)**
2019 Five-Year Avg. FCF%***

…And Achieved Strong Growth Track Record

$11.2 $11.6 $13.0 $14.0 $14.4
2015 2016 2017 2018 2019

$5.92 $6.53 $7.46 $8.15 $8.40
2015 2016 2017 2018 2019

$871 $1,138 $976 $769 $1,081
2015 2016 2017 2018 2019

Reflects Continuing Operations Only
*Excludes M&A Related & Other Charges
**Free Cash Flow prior to 2018 is shown as previously reported which excludes the impacts from the Q1’18 adoption of ASUs 2016-15, Classification of Certain Cash Receipts and Cash Payments, and 2016-18, Restricted Cash
***FCF conversion excludes gain on sale of business in 2017 and tax charges in 2018 related to enactment of U.S. tax legislation.
**Return On Operating Assets – Industrial Peers**

**SWK Asset Efficiency Drives Top Quartile Return…**

Top Tier Asset Efficiency Performance

- Operating Model & Industry 4.0 Supports Lower Working Capital Versus Peers
- Disciplined Capital Expenditures
- Efficient Management Of Cash Balances

Focus On Business Continuity

- Operating Leverage Focus
- Capturing Deflation
- Margin Resiliency Initiatives

...Opportunity To Improve Returns As We Expand Operating Margins

2019 is DEC-19 for all companies except PH (JUN-19), EMR (SEP-19), JCI (SEP-19).

Defined As \( \frac{\left( \text{Net Operating Profit Plus Rent, R&D and Depreciation} \right) \times (1 - \text{Statutory Tax Rate})}{\text{Invested Capital}} \). Invested Capital Defined As Total Assets Plus 8x Rent Plus 5x R&D Plus Accumulated Depreciation Less Non-Interest Bearing Current Liabilities Less Goodwill & Intangibles.
Cash Flow Return On Investment (CFROI)

Maintained Target Levels While Resuming M&A...

CFROI

Definition:
(Cash From Operations + After Tax Interest Expense) / 2 Point Average Capital (Debt + Equity)

- Cash Based Measure Of Value Creation
- Ties Our Strategic Focus To Returns
- Included In Long-Term Compensation Program

SWK CFROI Trend

<table>
<thead>
<tr>
<th>Year</th>
<th>CFROI</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>13%</td>
</tr>
<tr>
<td>2016</td>
<td>16%</td>
</tr>
<tr>
<td>2017</td>
<td>14%</td>
</tr>
<tr>
<td>2018</td>
<td>12%</td>
</tr>
<tr>
<td>2019</td>
<td>14%</td>
</tr>
</tbody>
</table>

Target Range 12-15%

...Focused On Building Long-Term Shareholder Value

2017 and 2016 CFROI is shown as previously reported which excludes the impacts from the Q1’18 adoption of ASUs 2016-15, Classification of Certain Cash Receipts and Cash Payments, and 2014-09, Revenue from Contracts with Customer
Balance Sheet & Long-Term Capital Allocation Strategy

Maintain A Hybrid Model: A Company Focused On Growth…

<table>
<thead>
<tr>
<th>Balance Sheet - 2019 Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Free Cash Flow ($M)</td>
</tr>
<tr>
<td>Adjusted Debt/EBITDA*</td>
</tr>
<tr>
<td>Adjusted Debt/Capital**</td>
</tr>
</tbody>
</table>

Target ~2.0X Debt To EBITDA

| SWK Credit Rating (LT | ST) |
|-----------------------|
| S&P:                  | A | A1 |
| Moody’s:              | Baa1 | P2 |
| Fitch:                | A- | F1 |

Swk Credit Rating (LT | ST)

Capital Allocation Strategy

- Continue To Invest In Our Core Franchises | Capital Expenditures ~3.0-3.5% Of Net Sales
- Long-Term Capital Allocation Strategy Is To Return ~50% To Shareholders Through Dividends & Share Repurchases
- The Remaining 50% Of Excess Capital Will Be Deployed Towards Acquisitions

Dividend Policy

- Committed To Continued Dividend Growth
- Target Payout Ratio: 30-35%, Consistent With Peers

...That Returns Approximately 50% Of Its Free Cash Flow To Shareholders
Looking Ahead

Margin Resiliency

~$300M - $500M 3-Year Value

1. Price/Margin Excellence
2. Next Generation Procurement
3. Supply Chain & Industry 4.0
4. Indirect Spend & Functional Excellence

Well Positioned With Growth Catalysts

Technology Enabled | Scalable Framework | Gross & Operating Margin Focus

Executing A Number Of Growth Catalysts That Will Help Us Perform In This Environment
MTD Lawn & Garden

2019 Financials

~$2.4B Revenue
Mid Single Digit Margin

Revenue Mix

- ROW: 15%
- NA: 85%
- Pro: 15%
- Prosumer: 25%
- Consumer: 60%

MTD Investment

- Acquired 20% Stake In MTD Products For $234M With An Option To Purchase Remaining 80% Beginning In 2021
- Unique Deal Structure Assumes A Low Double-Digit Multiple On 2018 EBITDA | 5.5X Multiple For EBITDA Growth Between 2018 & Exercise Date
- Strong Portfolio Of Brands
- Increases Our Presence In >$20B Lawn & Garden Market Partnering With A Leading Outdoor Power Equipment Manufacturer
- Opportunity To Leverage Our Scale, Channel Access, Craftsman Brand & Electrification Technology
- In 2021+ → ~$3B Company With Double-Digit Operating Margin

Attractive Opportunity For Acquisitive Growth
Why Invest In Stanley Black & Decker?

- Strong Brands With #1 Or #2 Position
- Scalable and Defensible Franchises
- Above-Market Organic Growth
- Disruptive + Digitally Enabled Innovation
- Meaningful Contribution From M&A
- Operating Leverage
- Margin Resiliency Initiative
- Security Improvement
- Strong & Growing Dividend
- ~50% FCF To Shareholders

Vision

- Known For Innovation
- Continued Top Quartile Performance
- Social Responsibility

Powered By

StanleyBlack&Decker
## Tools & Storage

2019 Revenues: $10.1B

<table>
<thead>
<tr>
<th>Power Tools &amp; Equipment</th>
<th>$6.1B</th>
<th>Hand Tools, Accessories &amp; Storage</th>
<th>$4.0B</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professional</td>
<td></td>
<td>Consumer</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Hand Tools</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Accessories</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Storage</td>
<td></td>
</tr>
</tbody>
</table>

### Revenue By Region

- **U.S.**: 62%
- **Europe**: 16%
- **Emerging Markets**: 13%
- **ROW**: 9%

### 2019 Results

<table>
<thead>
<tr>
<th>Revenue</th>
<th>Profitability*</th>
<th>Working Capital Turns</th>
</tr>
</thead>
<tbody>
<tr>
<td>$10.1B</td>
<td>15.7% Profit Rate</td>
<td>9.9T</td>
</tr>
<tr>
<td>5% Organic Growth</td>
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</tbody>
</table>

### 5 Year Scorecard

**Overview**

- Combined CDIY + IAR Business & Integrated Acquisitions Worth Over $1B (Craftsman, Irwin/Lenox Brands)

**Revenue Growth**

- +7% Revenue CAGR
- +7% Average Organic Growth

**New Product Development**

- ~$4B Gross
- ~$2B Incremental

---

*Excludes M&A Related Charges and Other

---

*The World’s Largest Tool Company…Well Positionned For Sustained Growth*
2019 Market Position*

Global Leader At ~16% Market Share → Ten Straight Years Of Share Growth

GTS Global Served Market Size ~$65B

GTS Global Served Market Share

*Other Brands Accounting For ~42% Of Total Tools Market Experienced Declines in 2019 Share

Global Share Growth Delivered Every Year Since Merger
Mission: Driving Organic Growth

To Be The WORLDWIDE LEADER (#1 Or #2 Position) In Defined Market Categories In Which Our Products Compete Through:

- Innovation
- Supply Chain Excellence
- Globalization
- Brand Building
- World-Class Organization

From $600M Hand Tool Company To $10B Diversified Tool Industry Leader
Brand Positioning

- **HPP** (High-Performance Professional)
- **MPP** (Mid-Performance Professional)
- **OPP** (Omnipotent Professional)

- **_consumer**
- **tradesman**
- **professional**
- **automotive / industrial**

Brands positioning: **Craftsman**, **DeWalt**, **Lenox**, **Proto**, **Stanley**, **Porter Cable**, **Bostitch**, **Irwin**, **Black & Decker**
DeWALT Breakthrough Innovation

Biggest In History

Biggest System In The World

Best Power : Weight Ratio

From $1B Power Tool Brand To $4.5B Diversified Global Brand Powerhouse

StanleyBlack&Decker
FlexVolt Opportunity

Global Tools & Storage Market Size By Product Family (~$59B)

- Pro PTs: 22%
- PTA: 17%
- Fast. & Compress.: 7%
- Consumer PTs: 13%
- Outdoor: 6%
- Other: 9%

GTS Market Share: ~Mid-Teens

Total Power Tool Market

~$44B
(Pro, Consumer, Outdoor, Accessories, etc.)

Current FlexVolt Addressable Market By Product Family (~$32B)

- Pro PTs: 37%
- PTA: 28%
- Fast. & Compress.: 13%
- Outdoor: 9%
- Other: 13%

GTS Pro Power Tool Market Share:
- Corded: ~20%
- Cordless: ~30%

Market Breakdown By Region

- ROW: ~36%
- NA: ~34%
- Europe: ~30%

GTS Market Share: ~Mid-Teens

Potential Incremental Market Opportunity
With Current FlexVolt Technology
(Small Gas Engines & Corded Tools)

~$1.5B - $2.0B

Represents 2018 Market Information
Core Innovation

Launched ~5 New Products/Day | 35%+ Vitality

StanleyBlack&Decker
eCommerce As A Strategic Growth Driver

**Vision**

Be #1 In The Tools Segment For eCommerce By Partnering With Key Customers, Understanding Our End Users And Deploying An Omni Channel Strategy

**Business Models**

Win End-To-End Relationship With End Users

**Enablers**

- World-Class Talent
- Product Assortment
- Relevant Content
- Digital Technology
- Digital Analytics
- Pricing Strategy
- eCommerce Fulfilment
- Service Support

**Global Strategy Executed Locally**
Global Emerging Markets: 2019

SBD Global Emerging Markets Grew Organically ~3X GDP Over The Last 3 Years…

<table>
<thead>
<tr>
<th>Category</th>
<th>Market Share</th>
<th>Δ</th>
</tr>
</thead>
<tbody>
<tr>
<td>Power Tools</td>
<td>High-Teens</td>
<td></td>
</tr>
<tr>
<td>Hand Tools &amp; Storage</td>
<td>Mid-Single Digits</td>
<td></td>
</tr>
<tr>
<td>Accessories</td>
<td>Mid-Single Digits</td>
<td></td>
</tr>
</tbody>
</table>

META & RUCIS

LATIN AMERICA

$3.0B* Tools Market Size
$660M 2019 Sales

ASIA

$4.2B* Tools Market Size
$360M 2019 Sales

…Substantial Penetration Opportunity Still Remains
# Industrial Vision

**Vision**

A $3-$4B Global Leader Of Highly Engineered, Application Based Solutions Where Safety, Reliability & Productivity Are Critical

<table>
<thead>
<tr>
<th>Scalable, Defensible Platform Powered By</th>
<th>Acquisition Focus</th>
</tr>
</thead>
<tbody>
<tr>
<td>Engineering Capability With Leading Industrial Technologies</td>
<td><strong>Bolt-On &amp; Portfolio Enhancing Assets</strong></td>
</tr>
<tr>
<td>Customer-Trusted Brands</td>
<td><strong>Customer &amp; Market Diversification</strong></td>
</tr>
<tr>
<td>Recurring Revenue Or After-Market Potential</td>
<td><strong>Product Line Expansion</strong></td>
</tr>
<tr>
<td>Global &amp; Multi-Vertical Scale</td>
<td><strong>New Technologies</strong></td>
</tr>
<tr>
<td>Ability To Differentiate Through Innovation</td>
<td></td>
</tr>
<tr>
<td>Attractive Markets With Positive Long-Term Outlooks</td>
<td></td>
</tr>
</tbody>
</table>

**Opportunities For Growth Organically & Through Acquisition**
Industrial Portfolio Transformation

Diversifying Industrial End Market Exposure Through Acquisitive Growth

2017 Revenue - ~$2.0B

- Automotive: 52%
- General Industrial: 27%
- Attachment Tools: 14%
- Oil & Gas: 7%
- Aerospace & Defense: 10%

2019 Pro Forma Revenue* - ~$2.9B

- Automotive: 36%
- General Industrial: 22%
- Attachment Tools: 17%
- Oil & Gas: 15%
- Aerospace & Defense: 10%

*2019 Actual Revenue Plus Pro Forma Impact From IES (Jan’19/Feb’19) And CAM
Engineered Fastening Business Overview

**Financials Highlights**

- **2019 Revenue**: $1.7B
- **2019 Operating Margin**: Mid Teens

**Geographic**

- Asia: 30%
- Americas: 43%
- Europe: 27%

**End Market**

- Industrial: 49%
- Automotive: 21%
- Aerospace: 27%

**5Yr Scorecard**

- **SEF Organic Growth**: +3% Avg. Per Yr* 
  Vs. ~1% Market Growth
- **Emerging Markets**: +7% 
  Vs. ~4% Market Growth
- **Automotive Growth**: +5% Avg. Per Yr 
  5x Light Vehicle Production
- **Working Capital Turns**: 9.7T

**Our Competition**

- **Fasteners**: ITW, NICH CO, lisi, A Raymond
- **Tools & Fasteners**: PennEngineering, BULLHOFF, ARCONIC, SFS, Atlas Copco

**Global Fastener Market - $85B**

- ~$27B Value Add
- Market Segments
  - General Industry
  - Automotive
  - Construction
  - Aerospace
  - Medical

**Most Extensive Portfolio Of Assembly Technology & Engineered Solutions**

*Excluding Electronics Business

**Includes CAM Pro Forma 2019
Engineered Fastening Advantage

**Vision**

To Be The Worldwide Leader In Highly Engineered Products With Opportunities To Grow Organically & Through Acquisitions

**Engineering Capabilities**

**Leading Industry Technologies**

**Multi-Vertical Platform**

**Global Scale**

**Inorganic Growth Strategy**

- Enhance The Core
- New Fastening Markets & Technologies
- Build Regional Scale
- Think Global... Act Local
- M&A Adjacencies
- Diverse Engineered Components Business
- Disrupt The Core
- Patented New Materials

*StanleyBlack&Decker*
Customized Value Proposition

Global Leader In Technology-Based Fasteners + Systems With Data & Analytics Capabilities…

- Product Design
- Fastener Design
- IoT Enabled Common Systems Platform
- Analytics
- Insights

Complete Assembly Solution

Helping Our Customers Achieve:
Cost Efficiencies • Improved Quality • Lower Warranty Cost
Reduced Inventory • Increased Output • Safety Critical
For All Our Market Segments

...And A Recurring Revenue Model Over The Life Of The Program
Organic Growth Opportunity

**Electric Mobility**
- Multi-Energy Platform To Drive Growth
- ...Driving Penetration Potential

**Industrial Vertical Expansion**
- Realigned To Serve Our OEM Customers Better
- Transportation
- Infrastructure
- Defense

**Asia**
- Make Where We Sell To Drive Organic Growth
- 14 MANUFACTURING PLANTS... OPERATING IN 9 COUNTRIES
- 5 Year Revenue CAGR %
  - India 14%*
  - Japan 6%
  - China 8%**
  - ASEAN 4%
- $100M+ Of Capital Invested Over Last 5Yrs With Focus On High Growth Verticals
- 5 Year Est. Market CAGR %
  - Electric Vehicles 13%
  - Infrastructure 9%
  - Drones 9%
  - 2-Wheeler 8%

Large Organic Opportunity With Strong Underlying Growth Drivers

*Excluding Acquisitions
**Excluding Impact of Electronics Customer Exit
Infrastructure
2019 Revenues*: $760M

Oil & Gas
$275M

- A Niche Market Leader In Oil & Gas Infrastructure & Integrity Services
- A Global Service Company Combining Equipment, Technology, And Field Services To Deliver A Proven Pipeline Construction Process Boosting Efficiency, Reliability, And Productivity
- Comprehensive Product Offerings With Proprietary Technology
- 2019 Business Mix:
  - ~50% Onshore, ~15% Offshore, ~35% Inspection

Attachment Tools*
$485M (Pro Forma)

- Provider Of Tools For Applications That Build And Maintain The World's Infrastructure
- Leader In Specialized Attachments For Off-Highway Construction Equipment
- IES Attachments Acquisition Broadens Offerings & Scale Of Attachment Tools Business → Platform For Growth

*2019 Actual Revenue Plus Pro Forma Impact From Paladin And Pengo Acquisitions For Jan/Feb 2019
Stanley Security

2019 Financials

~$1.9B Revenue

~11% Operating Margin*

+1% Organic Growth

+20Bps Operating Margin Rate

Vision

Providing Peace Of Mind By Helping People
Protect What Matters Most

Business Units

COMMERCIAL ELECTRONIC SECURITY (2019 Revenue ~$1.5B)

Deliver Consistent, Profitable Growth Through
Innovation, Advanced Analytics & Cost To Serve

DOOR AUTOMATION (2019 Revenue ~$300M)

Develop & Commercialize Market Leading Smart
Access Building Solutions With Predictive Maintenance

HEALTHCARE SOLUTIONS (2019 Revenue ~$145M)

Create Organic Growth Engine Through Technology
Offerings Across Hospital, Senior Living And Home

Revenue Mix

Geographic

End Market

Electronic Security

For Those Who Make The World Safer, Caring & Accessible

*Excluding M&A Related Charges And Other
Healthcare & Access Technologies Growth

Stanley Healthcare

- Hospital
- Senior Living
- Health@Home

- Fragmented NA Healthcare Space ~$8B
- New Management & Commercial Team With Significant Healthcare Experience
- Leader In RTLS, Infant & Wander Management
- Empowering Caregivers By Improving And Optimizing Environments Of Care

Empowering Caregivers

Stanley Access Technologies

- #1 In North America Automatic Doors

- #1 In NA Automated Door Market (~$1B)
- Commercializing Innovative New Products For Retail & Healthcare Applications
- Focusing On Service Growth Initiatives
- Developing Digital Tools & Solutions To Enhance Service Delivery Model & Grow Customer Value

Leader In Smarter Building Access Solutions
Electronic Security Overview

Market Landscape

• $25B Global Commercial Electronic Security Services Market & Growing 3-5% Annually

• Highly Fragmented W/ Top 15 < 20% Share

• New Entrants & Traditional Security Commoditizing

Key Value Drivers

• Technology Which Delivers Innovative Data Solutions & New Recurring Revenue Offerings

• Simple, Standard & Repeatable Offerings With A Seamless Digital Experience

• World Class Service Delivery & Execution Across Customer Multi-Site Locations

• Consolidation Opportunities With Proven Economies Of Scale

Growing End Market With Technology As Key Differentiator As Disruption Continues
Security Transformation

Security Has Positive Characteristics…

- A Large, Growing And Fragmented Global Market
- Attractive Recurring Monthly Revenue (RMR)
- Stable Revenue Profile During A Recessionary Cycle
- A Window Into Technology Disruption – Opportunity To Scale Across Organization
- Capital Expenditure Light & Working Capital Efficient
- Above Average Contributor To Cash Generation

The Team Is Energized & Focused

<table>
<thead>
<tr>
<th>Operating Margin*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organic Growth</td>
</tr>
<tr>
<td>Relatively Flat</td>
</tr>
<tr>
<td>Low To Mid Single Digits</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Long-Term Objective</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mid-Teens</td>
</tr>
</tbody>
</table>

...And The Objectives Are Clear

Regardless Of The Portfolio Decision, This Transformation Will Create Significant Value

*Excluding M&A Related Charges And Other
Security Transformation: Simplified Global Strategy

Small & Mid-Size Business Solution

- Self-Install Solutions Have Potential To Disrupt Small To Mid-Size Commercial Customers
- Develop IOT Enabled Self-Install Solution
- App Based Interface With Flexible Monitoring Options

Advanced Analytical Solutions

- Utilize Data From Existing Installed Security Hardware To Develop Customer Insights
- Solutions Focused On Driving Customer Productivity & Efficiency
- Large, National Customers

Lowering Cost-To-Serve

- Leverage Technology: Artificial Intelligence, Machine Learning And Virtual Reality
- Lower Service & Monitoring Cost-To-Serve | Best-In-Class Service
- Functional Transformation Across Back-Office Functions

Transform The Business To Deliver Consistent Organic Growth With Margin Expansion
SFS Delivers Breakthrough Value To The Customer As Well As High Asset Efficiency…

Operational Excellence

Customer-Driven Service Metrics

Agile Supply Chain

Lean/Industry 4.0

Make Where We Sell

10+ WCT

…Industry 4.0 Adoption To Enhance Capability & Support “Make Where We Sell” Strategy
Technology Solutions

- **AI & Machine Learning**
  - Yield Optimization
  - Predictive Algorithms
  - Pro-active Maintenance Work

- **Robotics**
  - Eliminate Repetitive Tasks
  - Real Time Fault Detection & Resolution

- **Digital Apps**
  - Guided Digital Work From Remote Experts

- **Digital Twins**
  - Remote Problem Solving Expertise
  - Benchmarking & Optimization

*Prioritized Technology Solutions To Deliver Maximum Value*
Organized For Rapid Deployment

Work Streams

- Analytics
- Automation
- Connected Factory
- Digital Apps

Support

- External Support Teams
- Digital Accelerator
- IT Functional Teams
- SBU Support Teams

Deployment

- Expecting 65-70% Plant Coverage By 2021

Deployment Team

Organized For Quick Incubation And Rapid Deployment
Strong Track Record Of Proven Results

Working Capital Turns

WCT for years prior to 2017 are shown as previously reported which excludes the impacts from the adoption of New Revenue Recognition Standard.
Margin Resiliency

Value Pools Enabled By Advanced Analytics

**Price & Margin Excellence**

Center Of Excellence To Deliver Standardized Digital Tools & Processes

1pt. Of Price = ~$140M OM$ ~$5.5B Annual Direct Material Spend

**Next Generation Procurement**

Integrated Data Structure, AI & Robotics To Enable Flexible, Agile Procurement

~$9.6B Total Cost Of Sales

**Supply Chain & Industry 4.0**

Accelerating Make Where We Sell & Digitizing The Factory Floor To Drive Productivity, Efficiency & Optimize Footprint

~$9.6B Total Cost Of Sales

**Indirect Cost & Functional Excellence**

Improve Efficiency & Effectiveness Of Indirect Spend While Delivering Sustainable Cost Reductions

~$1.7B Annual Addressable Spend

Guiding Principles

- **Prioritized** Focus Around Four Value Pools
- Leverage Process & Technology To Achieve Sustainable Results
- Drive **Scale** In Everything We Do
- An **Unrelenting** Focus To Recover Our Margins

A Transformational, Tech-Enabled Approach To Build Scale & Deliver Next-Level Performance
Lifelong Learning

**Individual**
- New skills: 15% of jobs will be new, e.g. UX designer
- Up-skilling: 55% of jobs will involve new content, e.g. Marketing
- Re-skilling: 30% of today's jobs will disappear, e.g. mailman

**Enterprise**
- Culture of lifelong learning
- Spirit of experimentation and innovation
- Building new organizational capabilities

**Embracing New Ways Of Learning As Talent & Technology Transform Our Future Work & Skillsets**
Extreme Innovation: Our Ecosystem

**Innovation Ecosystem Expanding At An Impressive Rate**

- **3X Market Cap Growth**
- **2.6X Revenue Growth**
- **1 Of Only 2 Companies That Qualified As High-leverage Innovators Over 15 Years**

**StanleyBlack&Decker**

![Graph showing R&D Spend comparison between 2015 and 2019]

- **2015**: $188
- **2019**: $255
Extreme Innovation: Breakthrough

Diverse Breakthrough Innovation Network Across Businesses And Regions...

Diverse Teams From Multiple Countries

Breakthrough Teams By Business Units

...With A Pipeline Of Products To Be Introduced In 2020 And Beyond

StanleyBlack&Decker
Extraordinary Customer Experience

Rapid Changes In Technology & Information Are Changing How We Engage With Our Customers...

Commercial Excellence  |  Personalized Execution  |  Distinctive Brands  |  Products & Solutions  |  World Class Service

...Embedding Creative & Deliberate Best In Class Customer Experiences To Drive Profitable Growth
## End Markets

Estimates Based On 2019 Revenues

<table>
<thead>
<tr>
<th>End Market</th>
<th>Security</th>
<th>Industrial</th>
<th>Tools &amp; Storage</th>
<th>SWK</th>
</tr>
</thead>
<tbody>
<tr>
<td>Existing Residential / Repair / DIY</td>
<td>4%</td>
<td>0%</td>
<td>37%</td>
<td>27%</td>
</tr>
<tr>
<td>New Residential Construction</td>
<td>1%</td>
<td>0%</td>
<td>25%</td>
<td>17%</td>
</tr>
<tr>
<td>Non-Resi. / Commercial Construction</td>
<td>7%</td>
<td>0%</td>
<td>21%</td>
<td>14%</td>
</tr>
<tr>
<td>Industrial / Electronics</td>
<td>12%</td>
<td>32%</td>
<td>11%</td>
<td>15%</td>
</tr>
<tr>
<td>Retail</td>
<td>23%</td>
<td>0%</td>
<td>1%</td>
<td>4%</td>
</tr>
<tr>
<td>Automotive Production</td>
<td>1%</td>
<td>43%</td>
<td>0%</td>
<td>7%</td>
</tr>
<tr>
<td>Automotive Aftermarket</td>
<td>1%</td>
<td>0%</td>
<td>4%</td>
<td>4%</td>
</tr>
<tr>
<td>Healthcare</td>
<td>14%</td>
<td>0%</td>
<td>0%</td>
<td>2%</td>
</tr>
<tr>
<td>Government</td>
<td>9%</td>
<td>1%</td>
<td>1%</td>
<td>2%</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>5%</td>
<td>24%</td>
<td>0%</td>
<td>5%</td>
</tr>
<tr>
<td>Financial / Banking</td>
<td>10%</td>
<td>0%</td>
<td>0%</td>
<td>1%</td>
</tr>
<tr>
<td>Education</td>
<td>4%</td>
<td>0%</td>
<td>0%</td>
<td>1%</td>
</tr>
<tr>
<td>Other</td>
<td>9%</td>
<td>0%</td>
<td>0%</td>
<td>1%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100%</strong></td>
<td><strong>100%</strong></td>
<td><strong>100%</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

~26% Exposure To U.S. Residential Construction (~½ Existing/Repair/DIY, ~½ New)
~8% Exposure To U.S. Commercial Construction
Portfolio Transformation

~$10B Has Been Invested In Acquisitions Since 2005 To Advance Growth Opportunities

### Tools & Storage

<table>
<thead>
<tr>
<th>Year</th>
<th>Company</th>
<th>Purchase Price ($M)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>National</td>
<td>$170</td>
</tr>
<tr>
<td>2006</td>
<td>Facom</td>
<td>$480</td>
</tr>
<tr>
<td>2011 / 2012</td>
<td>CribMaster / Lista N.A.</td>
<td>$120</td>
</tr>
<tr>
<td>2012</td>
<td>Powers</td>
<td>$220</td>
</tr>
<tr>
<td>2012 / 2013</td>
<td>Tong Lung, Bajaj, GQ, Emirian (GEM)</td>
<td>~$100</td>
</tr>
<tr>
<td>2017</td>
<td>Craftsman Brand</td>
<td>~$935</td>
</tr>
<tr>
<td>2017</td>
<td>Newell Tools</td>
<td>$1,860</td>
</tr>
<tr>
<td>2019</td>
<td>MTD Products (20% Equity Investment)</td>
<td>$235</td>
</tr>
</tbody>
</table>

### Security

<table>
<thead>
<tr>
<th>Year</th>
<th>Company</th>
<th>Purchase Price ($M)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>HSM</td>
<td>$545</td>
</tr>
<tr>
<td>2008</td>
<td>Sonitrol</td>
<td>$275</td>
</tr>
<tr>
<td>2008</td>
<td>GdP</td>
<td>$165</td>
</tr>
<tr>
<td>2011</td>
<td>Niscayah</td>
<td>$1,200</td>
</tr>
<tr>
<td>2012</td>
<td>AeroScout</td>
<td>$240</td>
</tr>
<tr>
<td>2016 - 2018</td>
<td>Various Bolt-On Security Acquisitions</td>
<td>$245</td>
</tr>
</tbody>
</table>

### Divestitures

<table>
<thead>
<tr>
<th>Year</th>
<th>Company</th>
<th>Purchase Price ($M)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>HHI (Security)</td>
<td>$1,400</td>
</tr>
<tr>
<td>2017</td>
<td>Mechanical Security Businesses (Security)</td>
<td>$725</td>
</tr>
</tbody>
</table>

### Industrial

<table>
<thead>
<tr>
<th>Year</th>
<th>Company</th>
<th>Purchase Price ($M)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>CRC-Evans (Infrastructure)</td>
<td>$445</td>
</tr>
<tr>
<td>2013</td>
<td>Infastech (SEF)</td>
<td>$850</td>
</tr>
<tr>
<td>2018</td>
<td>Nelson Fastener Systems (SEF)</td>
<td>$425</td>
</tr>
<tr>
<td>2019</td>
<td>IES Attachments (Infrastructure)</td>
<td>$655</td>
</tr>
<tr>
<td>2020</td>
<td>Consolidated Aerospace Manufacturing (SEF)</td>
<td>$1,300</td>
</tr>
</tbody>
</table>
Material Spend

Direct Material Spend

<table>
<thead>
<tr>
<th>2019* ($M)</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Finished Goods</td>
<td>$2,100</td>
<td>38%</td>
</tr>
<tr>
<td>Components</td>
<td>2,200</td>
<td>40%</td>
</tr>
<tr>
<td>Steel</td>
<td>475</td>
<td>9%</td>
</tr>
<tr>
<td>Resin / Plastic Moldings</td>
<td>350</td>
<td>6%</td>
</tr>
<tr>
<td>Packaging</td>
<td>250</td>
<td>5%</td>
</tr>
<tr>
<td>Base Metals</td>
<td>75</td>
<td>1%</td>
</tr>
<tr>
<td>Other</td>
<td>50</td>
<td>1%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$5,500</strong></td>
<td></td>
</tr>
</tbody>
</table>

*For Directional Analysis Only*

Raw Material Spend Includes Conversion Costs

Top Three Raw Material Exposures
(Finished Goods + Direct + Components)
1. Steel  
2. Resin  
3. Packaging
Reconciliation Of FCF

### Free Cash Flow

<table>
<thead>
<tr>
<th>Year</th>
<th>2019</th>
<th>2018</th>
<th>2017*</th>
<th>2016*</th>
<th>2015*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Cash Provided By Operating Activities</td>
<td>1,506</td>
<td>1,261</td>
<td>1,419</td>
<td>1,485</td>
<td>1,182</td>
</tr>
<tr>
<td>Less: Capital And Software Expenditures</td>
<td>(425)</td>
<td>(492)</td>
<td>(443)</td>
<td>(347)</td>
<td>(311)</td>
</tr>
<tr>
<td>Free Cash Flow</td>
<td>1,081</td>
<td>769</td>
<td>976</td>
<td>1,138</td>
<td>871</td>
</tr>
</tbody>
</table>

### EBITDA

<table>
<thead>
<tr>
<th>Component</th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net earnings before equity interest</td>
<td>$969</td>
<td>$605</td>
</tr>
<tr>
<td>Interest income</td>
<td>(54)</td>
<td>(69)</td>
</tr>
<tr>
<td>Interest expense</td>
<td>284</td>
<td>278</td>
</tr>
<tr>
<td>Income taxes</td>
<td>161</td>
<td>416</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>560</td>
<td>507</td>
</tr>
<tr>
<td>EBITDA</td>
<td>$1,920</td>
<td>$1,737</td>
</tr>
<tr>
<td>Pre-tax acquisition-related charges and other</td>
<td>363</td>
<td>450</td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>$2,283</td>
<td>$2,187</td>
</tr>
</tbody>
</table>

*Free Cash Flow is shown as previously reported which excludes the impacts from the 2018 adoption of ASU 2016-15, "Classification of Certain Cash Receipts and Cash Payments" and ASU 2016-18, "Restricted Cash.
Liquidity Update

Key Points

- Maintain Strong, Investment Grade Credit Ratings
- $3B Revolving Credit Facilities Backed By A Well Capitalized, Diversified Bank Group
- No Term Debt Maturities Until 4Q 2021 | Next Maturity 4Q 2022
- Capital Deployment Priority Is Debt Repayment | Initiated Capital Conservation Actions
  - Capital Expenditure Reduction
  - Temporarily Suspend M&A And Share Repurchase
  - Priority To Achieve Leverage Targets

Significant Flexibility To Navigate This Volatile Period

Liquidity Sources As Of 6/27/20

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash On Hand</td>
<td>$0.9B</td>
</tr>
<tr>
<td>Addl. Commercial Paper Capacity ($3B Max)</td>
<td>$2.3B</td>
</tr>
<tr>
<td><strong>Total Additional Liquidity</strong></td>
<td><strong>$3.2B</strong></td>
</tr>
</tbody>
</table>

Debt Maturities

- Short Term Borrowings
- LT Debt Maturity*  
- Equity Unit Remarketing

**As of 2Q20**
Currency Impact

Currency Headwinds Due To Stronger USD...

Currency Trends Vs. USD (12/31/18 – 6/26/2020)

<table>
<thead>
<tr>
<th>Month</th>
<th>CAD</th>
<th>EUR</th>
<th>GBP</th>
<th>BRL</th>
<th>ARS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dec-18</td>
<td>(0%)</td>
<td>(2%)</td>
<td>(42%)</td>
<td>(3%)</td>
<td>(86%)</td>
</tr>
<tr>
<td>Jan-19</td>
<td></td>
<td></td>
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January 2020 Guidance FX OM Impact ~$30M

Hedging Approach

- Hedge Key Currency Exposures (CAD, EUR, GBP & BRL, Among Others)
- Intent Is To Dampen Volatility And Allow Time For Business Teams To Mitigate Fluctuations With Cost & Price Actions

Indicative OM Annual Impact*

- CAD 1% Move: $2.5 - $3.5M
- EUR 1% Move: $2.0 - $3.0M
- GBP 1% Move: $1.2 - $1.8M
- BRL 1% Move: $0.8 - $1.3M
- ARS 1% Move: $0.2 - $0.5M

* Annualized Impact Based On Historical OM & Country Mix

...With Total FX OM ~$100M Unfavorable Versus Prior Year