

DEWALT Hand Tools Hit Stores At The End Of June: National Launch In August

Stanley Black & Decker 2Q'11 Overview

July 19, 2011

Participants

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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'11 Highlights

SWK Remained On A Steady Course Of Organic Growth Amidst An Unfavorable Macro Backdrop During The Quarter...


- 2Q'11 Revenues Increased 11% to \$2.6B; Organic Revenues Grew 3%
 - Organic Growth In Power Tools & Accessories, Industrial And CSS Muted By Weakness In Hand Tools, Outdoor Products & Ongoing Pfister Impact
- 2Q'11 EPS Of \$1.46, Excludes M&A Charges And Reflects A \$0.28 Benefit Attributable To The Favorable Settlement Of Tax Contingencies
 - 2Q'11 GAAP EPS Of \$1.14, Including M&A Related Charges
 - 2Q'11 EPS Of \$1.18, Excluding M&A Related Charges And The Favorable Settlement, In Line With Management's Expectations
- 13.6% Operating Margin, Excluding M&A Related Charges
 - CDIY Profitability Increased 120 BPS* Sequentially; Security Profitability Increased ~300 BPS* Sequentially & 120 BPS* From 2Q'10. Industrial Profitability Increased 110* BPS VPY
- Integration Of BDK Continues To Progress Ahead Of Plan
 - Accelerated 2011 Cost Synergy Realization By \$35M; Total Cost Synergy Target Raised To \$450M By 2012 From \$425M. Annualized Estimate Entering 2013 Up To \$485M From \$460M
 - Global Employee Survey Yielded Very Positive Results Of Cultural Integration
- Working Capital Turns Increased 14% to 5.8 Turns; Best-In-Class SFS Operational Principles Continue To Be Embedded Within Expanded Base

...Driven By New Products To Market, Share Gains & Emerging Markets

Black & Decker Integration Key 2011 Milestones

Integration Progresses Faster Than Expected Due To Smooth Execution...

Completed 1H'11 Milestones

- 
- Annual Refresh Process Inclusive Of New Opportunities
 - Identification Of \$25M In Additional Opportunities To Bring 2012 Target To \$450M From \$425M
 - Several Major Footprint Related Projects Have Been Launched

2H'11 Milestones

- 2H'11: We Will Have Completed Two Major Distribution Center & Three Major Plant Consolidations

Compelling **Revenue Synergy** Opportunities Continue To Mount: DEWALT Tools Through Industrial Channels, Hand Tools In Latin America Among Largest Success Stories To Date

FY Milestones Tracking Ahead Of Plan

Prior Commitment: By The End Of 2011, We Should Have Executed Projects That Represent **75%** Of The 2012 Cost Savings Of \$425M

Current Commitment: By The End of 2011, We Should Have Executed Projects That Represent **~85%** Of 2012 Cost Savings Of \$450M

...As Realized Cost Synergies In 2011 Increase & Our 2012 Target Is Raised To \$450 Million

2Q'11 Vs Prior Year

Revenue & Profit Growth Continues To Be Driven By The Emerging Markets...

Canada 2Q'11
Organic -7%
% SBD 6%

US 2Q'11
Organic +1%
% SBD 55%

L.Amer. 2Q'11
Organic +26%
% SBD 9%

Europe 2Q'11
Organic +2%
% SBD 24%

Asia 2Q'11
Organic +4%
% SBD 5%

Australia 2Q'11
Organic +1%
% SBD 1%

Ex-Engineered
Fastening Japan,
Asia Organic Sales
↑ 15%

...Which Now Account For 15% Of Stanley Black & Decker

2Q'11 SWK Sources Of Growth

The Power Tool, Industrial And CSS Businesses Posted Solid Organic Growth During The Quarter...

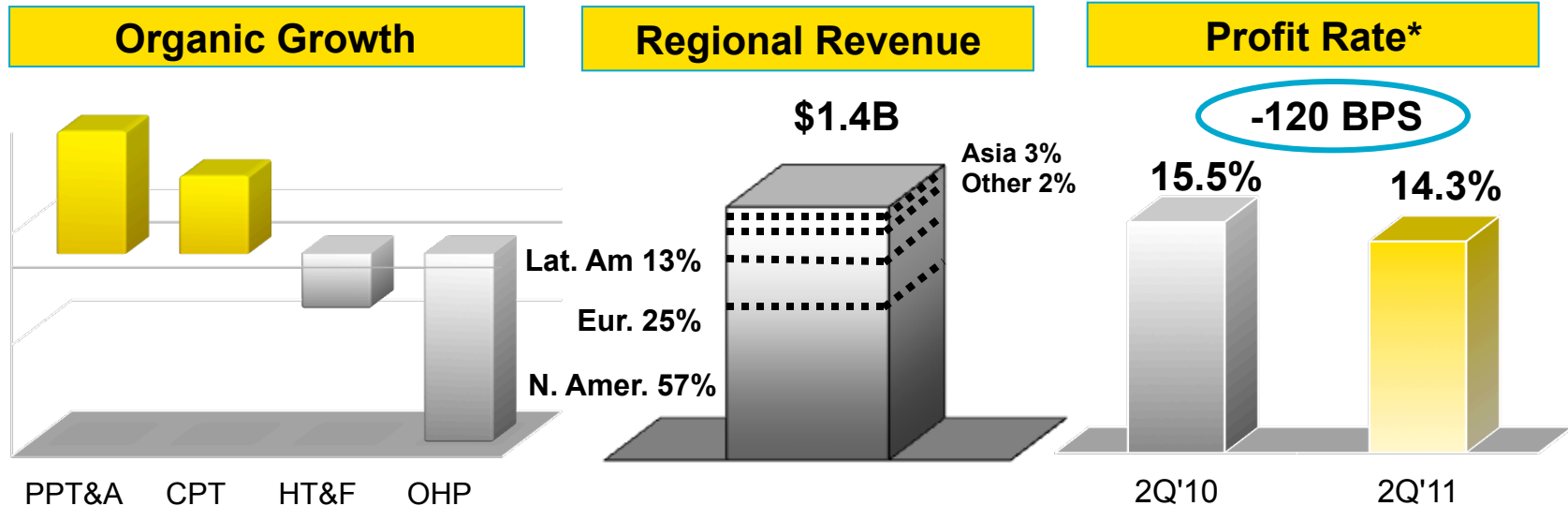
Sources Of Growth	
	2Q'11
Volume	+ 3%
Price	0%
Organic	+ 3%
Currency	+ 5%
Acquisitions	+ 3%
SWK	+ 11%

2Q'11 Organic Growth	
Industrial	+ 9%
HT&Fstng/WWPT&A*	+ 7%
CSS	+ 4%
MAS	-1%
Outdoor /Home	-17%
Pfister	-21%
SWK	+3%

...Which Was Partially Offset By Weakness In MAS, Outdoor Products And Pfister

2Q'11 CDIY

New Product Launches & Growing Presence In Emerging Markets Drove CDIY Growth During The Quarter



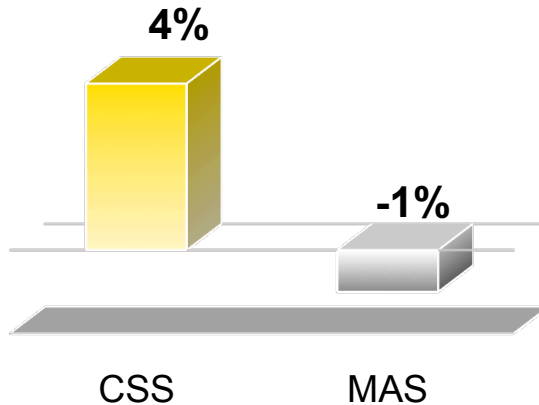
Construction & Do-It-Yourself

- Professional Power Tool Business Grew 13% Organically During The Quarter Due To Continued Success Of 12V Lithium-Ion Cordless Line & New 18V Lithium-Ion Products Launched In Europe In May.
- Revenue Growth In Regions Outside Of North America ↑ 16%; 20%+ Sales Growth In Latin America Driven By Consumer Power Tools And Hand Tools & Fastening. European Market Weaker Than Expected.
- Strong 2Q'11 Profit Rate Despite Difficult PY Comparable, Due To Normalization Of Promotion Expense & Inflation
- Outdoor Products Business Impacted By Unfavorable Weather Conditions; Hand Tool Business To Be Boosted In 2H Due To August National Launch Of DEWALT Hand Tools
- Sales For The Pfister Business Fell 21% Due To The Ongoing Impact Of The 1Q'11 Loss Of SKUs At A Major Customer

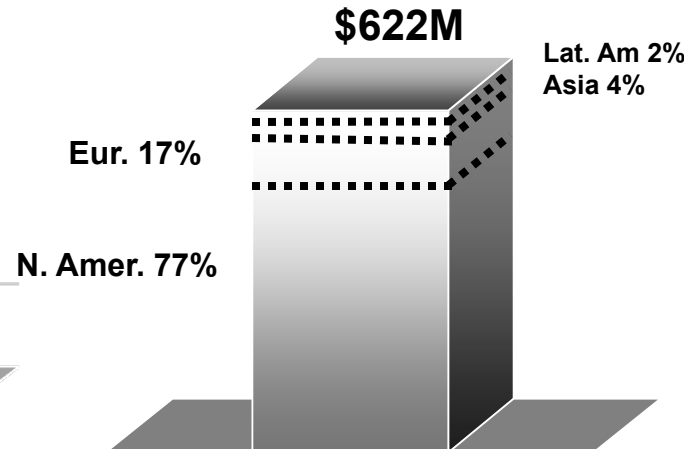
2Q'11 Security

Strong Sequential And Year-Over-Year Profit Growth As Synergies And Productivity More Than Offset Inflation

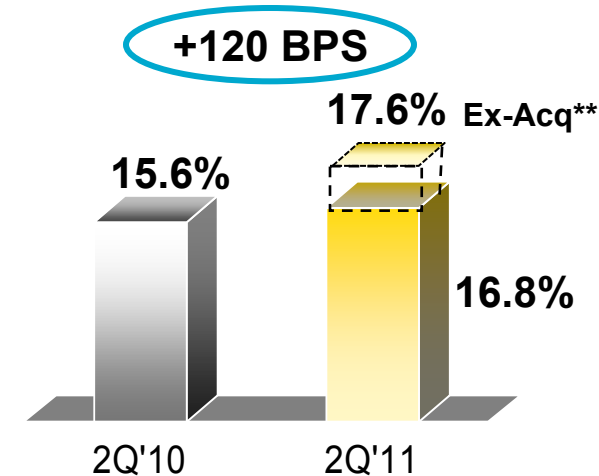
Organic Growth



Regional Revenue



Profit Rate*



Convergent Security Solutions (CSS)

- Revenues From Both Installations And RMR Grew During The Quarter; Negative Mix Driven By Installs Outpacing RMR: To Be Expected As The Market Continues To Rebound
- SSDS Attained Double-Digit Profitability; Integration With GdP Continues To Progress Seamlessly
- Volumes From National Accounts Continued To Outpace Core Commercial Customers, Which Are Beginning To Show Signs Of A Rebound
- Organic Sales And Profits In Healthcare Solutions Both Grew At Solid Pace; Modest Dilution From InfoLogix Acquisition, As Expected

Mechanical Access Solutions (MAS)

- Organic Revenues Fell Slightly As A Rebound In Commercial Hardware Was Muted By Weakness In Access Technologies Due To Softness In Select National Accounts
- Residential Hardware Business Flat As Share Gains Within Electronic Locks Were Offset By Weak Overall Market Demand. Inclement Weather During 2Q Negatively Impacted Sales In Canada
- Footprint In China Growing With Successful GMT Acquisition Integration

Niscayah Update

Procedure/Timing

- **Expiration Of The Mandatory Waiting Period Under The Hart-Scott-Rodino Antitrust Improvements Act**
 - All U.S. Antitrust Conditions To The Offer Have Now Been Satisfied
- **EU Approval Pending:**
 - The Short Form CO Should Be Filed By July 20, Subject To The EU Commission's Final Confirmation That It Has No Further Outstanding Questions
 - A Formal Filing Of The Short Form CO On July 20 Should Result In Formal Clearance Of The Transaction By August 26

Pro Forma Financial Impact

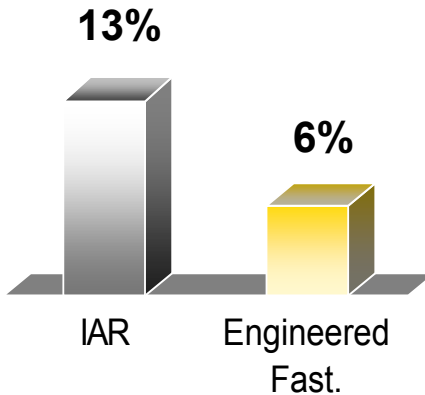
	Year 1	Year 2	Year 3
Expected Cost Synergies	~\$45M	~\$35M	
Adjusted EPS Impact*	+\$0.20	➔	
			+\$0.45

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

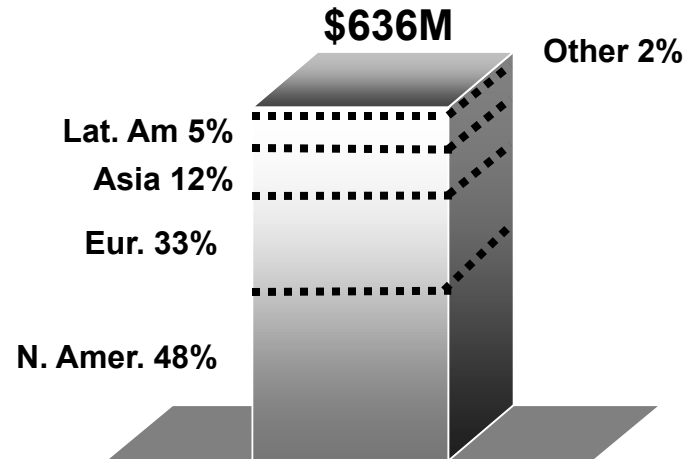
2Q'11 Industrial

Industrial Segment Grew Organic Revenues 9% And Profits 110 BPS

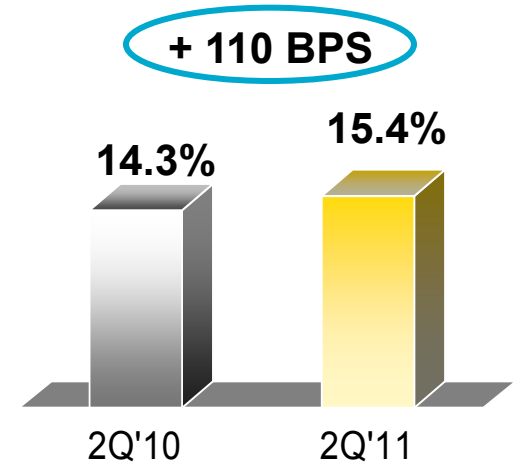
Organic Growth



Regional Revenue



Profit Rate*



Industrial & Automotive Repair (IAR)

- Organic Sales ↑ 13% VPY As Industrial And Mobile Distribution Businesses In North America Posted Double-Digit Gains
- Growth In North America & Emerging Markets Outpaced A Modest Volume Increase In Europe
 - Virtually All Sales Channels In N.A. Grew At Double Digit Rates
 - 2Q DEWALT Launch In Europe Drove Strength In Industrial Channels Offsetting A Soft Automotive Tool Market
- Storage Sales Strong; Newly Acquired Technologies/Products To Drive Growth & Enhance Value Proposition

Engineered Fastening

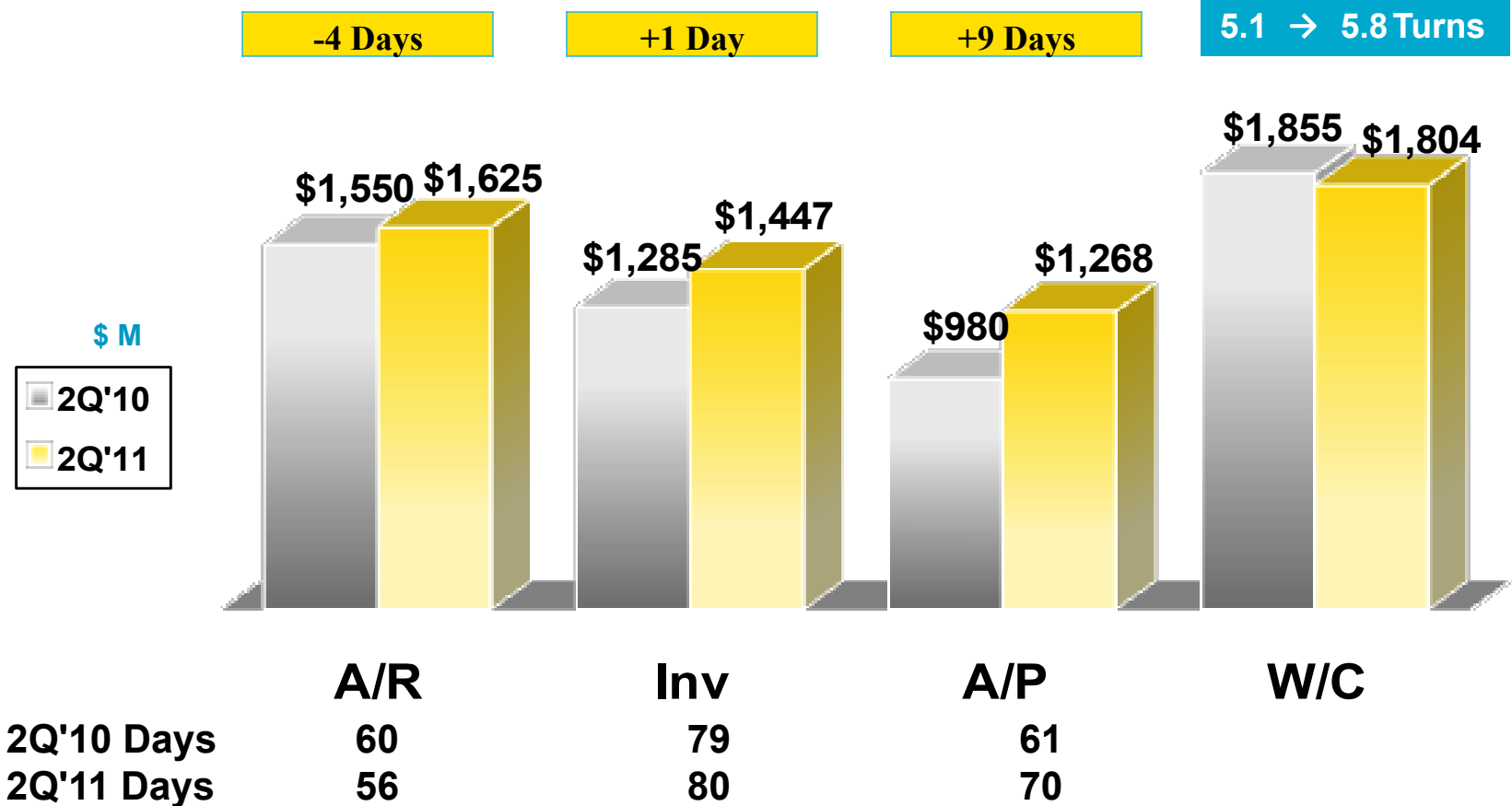
- Organic Sales Rose 6%, Far Outpacing Weaker YOY Global Light Vehicle Production (Production In Japan ↓ 40%+)
- Negative Mix Pressured Margins Slightly Due To Increased N.A. & European Industrial Sales & Lower Automotive Fastening Sales In Asia

Infrastructure (Hydraulics & CRC-Evans)

- CRC-Evans Pro Forma Revenues Up Mid-Single Digits On Stronger International Product Sales
- Hydraulics Sales ↑ 40%+ Due To Stronger Markets In North America For Handheld, Railroad & Mounted Product

Working Capital – Stanley Black & Decker

Working Capital Turns Increased 14% During The Quarter...



...As The Global Enterprise Continues To Embrace Tenets Of SFS

2Q'11 Free Cash Flow (Excludes M&A Payments)

Year To Date Free Cash Flow Generation On Track With Expectations...

\$M	2Q'11	2Q'10	V\$	'11 YTD
Net Income	\$ 253	\$ 206	\$ 47	\$ 439
Deprec/Amort	94	93	1	198
Working Capital	(5)	(20)	15	(76)
Other / Restr.	(131)	(31)	(100)	(218)
Operating CF	211	248	(37)	343
CapEx	(54)	(35)	(19)	(108)
Free Cash Flow	\$ 157	\$ 213	\$ (56)	\$ 235

...To Achieve \$1.1B In Total By The End Of 2011*

Stanley Black & Decker 2011 Outlook Update

Updating...

- 2011 Full Year EPS Guidance Range Of \$5.15 - \$5.40* From Previous Range Of \$5.00 - \$5.25
 - GAAP EPS Range Of \$4.50 - \$4.75
 - Increase Solely Due To \$0.15 More Than Expected From 2Q'11 Settlement Of Tax Contingencies
 - Tax Rate Used For Guidance Range (Excluding M&A Charges) Will Approximate 19% - 20%, From Previous Range Of 20% - 21%
- Net Organic Sales To Increase 4-5% From Combined Company PF Level Of \$9.3B (Down From Prior Range Of 5-6%). While Guidance Was Never Predicated On Market Growth, The Lack Thereof Creates Headwind In Overcoming:
 - Negative Weather-Related Impact To Outdoor Product Business
 - Weaker Than Expected Market In Europe For CDIY Segment
- Cost Synergies To Be Realized At Faster Pace In 2011: \$200M vs Prior \$165M Estimate
- Due To Offer To Acquire Niscaayah, Share Repurchase To Commence In 3Q; ~172.5M Y/E S/O Forecast Remains

Reiterating...

- Revenue Synergies Will Add An Incremental 50 Bps To 2011 Revenues; Modest EPS Impact
- Acquisition Revenue (CRC-Evans, SSDS, GMT, InfoLogix) Will Approximate 3% Growth (From \$9.3B 2010 PF)
- Operating Margin Rate Expansion Of Approximately 150 Bps Versus 2010.
 - Includes Net 100 Bps Negative Impact From Price/Inflation
 - Based On Current Rates, Foreign Exchange Should Not Have A Significant Impact On Margin Rate
- Non-Merger And Acquisition Related Restructuring, Impairment And Related Charges To Remain Relatively Flat To Those Taken In 2010 (~\$25 Million)

Total Cost Synergy Estimate Raised To \$450M By 2012:

\$135M In 2010

\$200M In 2011

\$115M In 2012

Reiterating 2011 Free Cash Flow Guidance Of ~\$1.1 Billion

Stanley Black & Decker 2011 Segment Outlook

2011 EPS Guidance Increased Due To Tax Favorability; Forecast For Underlying Operating Results Remains Intact...

CDIY

- Tightening Range For Pro Forma Organic Revenue Growth To 4-5% From Previous “Mid-Single Digit” For 2011 Due To Weak Outdoor Products 2Q & Weakness In Europe
- Operating Margin Accretion In 2H’11 Due To Incremental Cost Synergies, Positive Impact Of New Products & Mid-Year Pricing Actions Taking Effect To Help Mitigate Inflation
- Revenue Growth From Latin America Expected To Increase In 2H’11 Due To Historical Trends
- Share Gains To Continue; 2H’11 To Reap Positive Impact Of All New Products: 18V Li-Ion In Europe/20V In US, National Launch Of DEWALT Hand Tools In August

Security

- Reiterating Expectations For Low Single Pro Forma Organic Revenue For 2011
- CSS Organic Sales Growth Expected To Continue At A Healthy Pace; Slight Margin Expansion Expected Due To Ongoing Successful Integration Of SSDS, Offsetting Any Negative Install/RMR Mix Impact
- Overall Segment Margin To Continue On Upward Trajectory Due To Increased Volume, Productivity, Pricing & Synergies
- Favorable 3Q Revenue Comparables To Aid Residential Hardware, 2Q Strength In Commercial Hardware Expected To Continue At Modest Pace. Softness In Access Technologies Not Expected To Reverse Until 4Q’11

Industrial

- Reiterating Expectations For Mid Single-Digit Pro Forma Organic Revenue Growth For 2011
- Industrial & Automotive Repair Business On Track To Exceed Market Growth Forecast For The Year Due To Continued Market Share Gains And Revenue Synergies
- 3Q Light Vehicle Production Expected To Be Slightly Higher, Driven By The US. Solid Improvement In Japan Production Forecast Sequentially. Mix Headwinds Will Persist To Modestly Pressure Profitability
- Strong Performance In Offshore Channel Sales Expected To Drive 3Q Infrastructure Revenues
- Strength In Hydraulic Business Expected To Continue: Scrap Steel Prices To Stabilize; Mounted Breaker Market Expected To Grow

...As Accelerated Cost Synergy Realization Will Offset The 1% Lower Organic Revenue Guidance

Summary

- Integration Continues To Proceed With Success; Accelerated Realization Of Cost Synergies In 2011 & 2012 Target Raised \$25M To \$450M
- Volume And Margin Growth Expected In 2H'11 Due To New Products, Pricing Actions & Emerging Markets; On Track For 150 BPS Of YOY OM% Expansion
- Revenue Synergy Projects Progressing Smoothly And Yielding Compelling Results, Particularly In Emerging Markets And Within Industrial Portfolio
- Ongoing Global Company-Wide Cultural Penetration Of The Principles Of SFS
 - Working Capital Turns Increased 14% VPY
- ~\$1.1 Billion* In Free Cash Flow Forecast For 2011 Reiterated

APPENDIX

Stanley Black & Decker 2011 Outlook- Cont'd

Including All M&A Charges, The Company Expects EPS To Approximate \$4.50 To \$4.75 In 2011

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

- Total Costs To Achieve Cost Synergies In 2011 Remains \$150 Million.
- Restructuring And Related Costs Associated With Severance Of Employees And Facility Closures Of \$105 Million: \$56 Million Restructuring And \$49 Million Of COS Charges
- M&A Related Costs To Be Recorded In SG&A And “Other-net” Of \$45 Million For Certain Compensation Charges, Advisory And Consulting Fees.

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

- **\$350M Of D&A (1/2 A, 1/2 D)**
- **Cash EPS Of \$5.97 - \$6.22 (Excludes A)**

	1Q'11A	1Q'11 EPS	2Q'11A	2Q'11 EPS	2H'11E	FY'11E
GAAP Tax Rate	12.7%	\$0.92	12.4%	\$1.14	25-26%	20-21%
Core Tax Rate Used For Guidance (Ex-M&A Charges/Including Discrete Benefits)	14.9%	\$1.08	8.0%	\$1.46	25-26%	19-20%
Normalized Tax Rate (Ex-M&A Charges & Favorable Tax Settlements)	24.3%		25.6%		25-26%	25-26%
Shares Outstanding	171.9		173.1		172.5	172.5

Various financial measures in these slides are prepared in accordance with United States Generally Accepted Accounting Principles (“GAAP”). In addition, certain financial measures presented herein and in the appendix to this press release are non-GAAP, or normalized, financial measures that exclude M&A-related items. Management uses these non-GAAP, or normalized, financial measures to assess current performance and establish operational goals, and believes that these measures assist investors in evaluating the results of our business and analyzing the underlying trends in our business over time. Investors should consider these non-GAAP normalized financial measures in addition to, and not as a substitute for, or as superior to, financial measures prepared in accordance with GAAP. A reconciliation of the GAAP financial measures to the corresponding non-GAAP financial measures, and an explanation of our use of these non-GAAP normalized financial measures and of the excluded items, are included in the appendix to the corresponding press release.

Operating margin is defined as sales less cost of sales less SG&A. 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. Normalized cash flow and free cash flow, as reconciled from the associated GAAP measures in Appendix A to the press release, are considered meaningful pro forma metrics to aid the understanding of the company's cash flow performance aside from the material impact of the M&A-related payments.