

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549  
FORM 8-K  
CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) April 15, 1998

THE BLACK & DECKER CORPORATION  
(Exact name of registrant as specified in its charter)

Maryland 1-1553 52-0248090  
(State of Incorporation) (Commission File Number) (I.R.S. Employer  
Identification Number)

Towson, Maryland 21286  
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: 410-716-3900

Not applicable  
(Former name or former address, if changed since last report)

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ITEM 5. OTHER EVENTS

On April 15, 1998, the Corporation reported its earnings for the quarter ended March 29, 1998. Attached to this Current Report on Form 8-K as Exhibit 99 is a copy of the Corporation's related press release dated April 15, 1998.

FORWARD LOOKING STATEMENTS

This Current Report on Form 8-K includes statements that constitute "forward looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 and that are intended to come within the safe harbor protection provided by those sections. By their nature, all forward looking statements involve risk and uncertainties. Actual results may differ materially from those contemplated by the forward looking statements for a number of reasons, including but not limited to: market acceptance of the new products introduced in 1997 and 1998 and scheduled for introduction in 1998; the level of sales generated from these new products relative to expectations, based on the existing investments in productive capacity and commitments of the Corporation to fund advertising and product promotions in connection with the introduction of these new products; the ability of the Corporation and its suppliers to meet scheduled timetables of new product introductions; unforeseen competitive pressure or other difficulty in penetrating new channels of distribution; adverse changes in currency exchange rates or raw material commodity prices, both in absolute terms and relative to competitors' risk profiles; delays in or unanticipated inefficiencies resulting from manufacturing and administrative reorganization actions in progress contemplated by the strategic repositioning described in the Corporation's Annual Report on Form 10-K for the year ended December 31, 1997, and updated in the press release dated April 15, 1998; and the continuation of modest economic growth in the United States and Europe and gradual improvement in the economic environment in Asia.

In addition to the foregoing, the Corporation's ability to realize the anticipated benefits during 1998 and in the future of the restructuring actions undertaken in 1998 is dependent upon current market conditions, as well as the timing and effectiveness of the relocation or consolidation of production and administrative processes. The ability to realize the benefits inherent in the balance of the restructuring actions is dependent on the selection and implementation of economically viable projects in addition to the restructuring actions taken to date. The ability to achieve certain sales and profitability targets and cash flow projections also is dependent upon the Corporation's ability to identify appropriate selected acquisitions that are complementary to the repositioned business units at acquisition prices that are consistent with these objectives.

There can be no assurance that the Corporation will consummate the sales of the recreational products business, the glass container-forming and inspection equipment business, and the household products business in North America and Latin America. Further, the Corporation's ability to realize the aggregate net proceeds from the sales of such businesses in excess of \$500 million is dependent upon market conditions at the time of these sales.

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS

Exhibit 99 Press Release of the Corporation dated April 15, 1998.

THE BLACK & DECKER CORPORATION

S I G N A T U R E S

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

THE BLACK & DECKER CORPORATION

By /s/ THOMAS M. SCHOEWE  
Thomas M. Schoewe  
Senior Vice President and Chief Financial Officer

Contact: Barbara B. Lucas  
Senior Vice President-Public Affairs  
(410) 716-2980

F. Robert Hunter  
Vice President-Investor Relations  
(410) 716-3979

FOR IMMEDIATE RELEASE:      Wednesday, April 15, 1998

SUBJECT: Black & Decker Reports First Quarter Results

TOWSON, MD - The Black & Decker Corporation (NYSE:BDK) announced today its first quarter 1998 results. Highlights are:

- o Recorded charges for goodwill write-down, restructuring, and restructuring-related costs pursuant to previously announced strategic repositioning plan. Excluding these items, earnings per share up 22% on a comparable basis.
- o Reported sales down 1% compared to first quarter 1997. Excluding foreign currency effects, sales up 2% and sales of core businesses up 5%.
- o Restructuring on track.
- o Divestitures on track.
- o Share repurchase program underway.
- o Free cash flow \$75 million better than first quarter 1997.

As a result of the charges noted above, the Corporation reported a net loss for the quarter of \$971.4 million or \$10.21 per share on both a basic and diluted basis. This net loss included charges of \$900 million (\$9.46 per share) for the write-off of goodwill and \$100 million on an after-tax basis (\$1.05 per share) for restructuring.

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Because the first quarter's results were a loss, the calculation of reported earnings per share on a diluted basis excludes stock options, since the inclusion of stock options would be anti-dilutive, i.e., would decrease the per-share loss. For comparative purposes, however, the dilutive effect of these options should be considered when evaluating the Corporation's performance excluding the goodwill write-off and restructuring charge.

If the dilutive effect of options were considered, net earnings excluding the goodwill write-off and after-tax restructuring charge would have been \$28.6 million (\$.29 per share on this diluted basis). This adjusted net earnings number also includes \$3.8 million of after-tax, restructuring-related costs. Excluding the goodwill write-off, restructuring charge, and restructuring-related costs, net earnings would have been \$32.4 million (\$.33 per share on the diluted basis described above) for the first quarter of 1998, compared to \$26.3 million (or \$.27 per share on a diluted basis) reported in the first quarter of 1997.

Sales for the first quarter of 1998 declined by 1% to \$1.01 billion from \$1.02 billion in the same period last year. Excluding the effects of foreign currency translation, however, sales increased by 2%.

Commenting on the results, Nolan D. Archibald, Chairman and Chief Executive Officer, said, "We indicated in January that we had begun a multi-faceted strategic repositioning of Black & Decker that includes several divestitures, a share repurchase program, and a comprehensive restructuring of our businesses. That cost reduction and process improvement program accounted for a pre-tax restructuring charge of \$140 million as well as \$5.6 million in operating costs directly related to the restructuring initiative during the quarter. Because of some favorability in both foreign exchange translation and the anticipated costs of various restructuring actions since our January estimates, we now believe that the total pre-tax charge related to the multi-year program will be closer to \$225 million than the \$250 million that we had originally expected. We remain committed to achieving at least \$100 million of annual earnings benefit when the program is completed at the end of 1999.

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"During the quarter, we began the process of shutting down power tool facilities in Singapore, Canada, and Italy under our restructuring program, and expect to sell our plant in Brazil as we divest the Household Products business. As we close plants and transfer production, we will make every effort to ensure that appropriate levels of customer service are maintained.

"Our adoption of a discounted cash flow method for valuing goodwill, which we also announced in January, led to a write-off of \$900 million in goodwill in the first quarter. Although this had a dramatic effect on our reported results, the charge was entirely non-cash and reduces goodwill to nearly 50% of its 1997 year-end level.

"Excluding the goodwill write-off, restructuring charge, and restructuring-related expenses, earnings per share increased by 22% over last year's first quarter. This improvement reflected approximately 5% aggregate sales growth, excluding foreign exchange effects, in our core businesses which consist of worldwide Power Tools and Accessories, Security Hardware, Plumbing Products, and Fastening and Assembly Systems. This sales growth was driven by continued success of new products, particularly in North American Power Tools.

"Free cash flow improved by \$75 million compared to the same period last year as a result of continued emphasis on working capital management.

"Our divestiture program progressed on track during the quarter, and we continue to be optimistic about generating aggregate net proceeds in excess of \$500 million. With this in mind, we commenced our share repurchase program during the quarter, buying approximately 700,000 shares at an average price of just under \$50 per share. This repurchase substantially offset the number of shares issued during the quarter in connection with various benefit plans, option exercises, and incentive awards."

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This release includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. By their nature, all forward-looking statements involve risks and uncertainties. For a more detailed discussion of the risks and uncertainties that may affect Black & Decker's operating and financial results and its ability to achieve the financial objectives discussed in this press release, interested parties should review Black & Decker's reports filed with the Securities and Exchange Commission, including the Current Report on Form 8-K, filed April 15, 1998.

Black & Decker is a leading global manufacturer and marketer of power tools, hardware, and building products used in and around the home and for commercial applications.

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THE BLACK & DECKER CORPORATION AND SUBSIDIARIES  
CONSOLIDATED STATEMENT OF EARNINGS (Unaudited)  
(Dollars in Millions Except Per Share Amounts)

	Three Months Ended	
	March 29, 1998	March 30, 1997
SALES	\$ 1,008.3	\$ 1,015.0
Cost of goods sold	658.3	650.5
Selling, general, and administrative expenses	279.9	291.2
Write-off of goodwill	900.0	-
Restructuring charge	140.0	-
OPERATING INCOME (LOSS)	(969.9)	73.3
Interest expense (net of interest income)	28.4	30.6
Other income (expense)	0.3	(2.3)
EARNINGS (LOSS) BEFORE INCOME TAXES	(998.0)	40.4
Income taxes (benefit)	(26.6)	14.1
NET EARNINGS (LOSS)	\$ (971.4)	\$ 26.3
	=====	=====
NET EARNINGS (LOSS) PER COMMON SHARE - BASIC	\$ (10.21)	\$ 0.28
	=====	=====
Shares Used in Computing Basic Earnings Per Share (in Millions)	95.1	94.4
	=====	=====
NET EARNINGS (LOSS) PER COMMON SHARE - ASSUMING DILUTION	\$ (10.21)	\$ .27
	=====	=====
Shares Used in Computing Diluted Earnings Per Share (in Millions)	95.1	96.0
	=====	=====

THE BLACK & DECKER CORPORATION AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEET (Unaudited)  
(Millions of Dollars)

	March 29, 1998	March 30, 1997
	-----	-----
ASSETS		
Cash and cash equivalents	\$ 98.8	\$ 119.6
Trade receivables	831.6	655.7
Inventories	827.4	842.4
Other current assets	187.9	186.4
	-----	-----
TOTAL CURRENT ASSETS	1,945.7	1,804.1
	-----	-----
PROPERTY, PLANT, AND EQUIPMENT	877.3	875.5
GOODWILL	959.2	1,940.8
OTHER ASSETS	491.7	506.4
	-----	-----
	\$ 4,273.9	\$ 5,126.8
	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY		
Short-term borrowings	\$ 74.7	\$ 147.4
Current maturities of long-term debt	164.6	52.1
Trade accounts payable	411.6	333.5
Other accrued liabilities	714.4	800.4
	-----	-----
TOTAL CURRENT LIABILITIES	1,365.3	1,333.4
	-----	-----
LONG-TERM DEBT	1,570.6	1,652.0
DEFERRED INCOME TAXES	58.3	77.1
POSTRETIREMENT BENEFITS	303.5	304.4
OTHER LONG-TERM LIABILITIES	204.0	151.5
STOCKHOLDERS' EQUITY	772.2	1,608.4
	-----	-----
	\$ 4,273.9	\$ 5,126.8
	=====	=====

SUPPLEMENTAL FINANCIAL INFORMATION  
(Millions of Dollars)

	March 29, 1998	March 30, 1997
	-----	-----
Balance of receivables sold under sale of receivables program	\$ -	\$ 153.0
	=====	=====
	-----	-----
	Three Months Ended	
	-----	-----
	March 29, 1998	March 30, 1997
	-----	-----
Depreciation and amortization	\$ 43.8	\$ 54.7
	=====	=====
Capital expenditures	\$ 32.2	\$ 40.2
	=====	=====

THE BLACK & DECKER CORPORATION AND SUBSIDIARIES  
THREE MONTHS ENDED MARCH 29, 1998  
ANALYSIS OF CHANGES IN SALES

(Millions of Dollars)

Consumer	United States	Europe	Other	Total
Total Sales	\$ 483.4 -----	\$ 265.6 -----	\$ 98.4 -----	\$ 847.4 -----
Unit Volume	7 %	7 %	(5)%	5 %
Price	(2)%	(1)%	(1)%	(1)%
Currency	- % ---	(7)% ---	(6)% ----	(3)% ---
	5 % ---	(1)% ---	(12)% ----	1 % ---
Commercial				
Total Sales	\$ 71.0 -----	\$ 67.2 -----	\$ 22.7 -----	\$ 160.9 -----
Unit Volume	(12)%	13 %	(13)%	(3)%
Price	- %	- %	(1)%	- %
Currency	- % -----	(7)% ---	(4)% ----	(3)% ---
	(12)% -----	6 % ---	(18)% ----	(6)% ---
Consolidated				
Total Sales	\$ 554.4 =====	\$ 332.8 =====	\$ 121.1 =====	\$ 1,008.3 =====
Unit Volume	4 %	8 %	(7)%	3 %
Price	(2)%	(1)%	(1)%	(1)%
Currency	- % ---	(7)% ---	(5)% ----	(3)% ---
	2 % ===	- % ===	(13)% =====	(1)% ===

THE BLACK & DECKER CORPORATION AND SUBSIDIARIES  
SUPPLEMENTAL EARNINGS INFORMATION (Unaudited)  
THREE MONTHS ENDED MARCH 29, 1998  
(Dollars in Millions Except Per Share Amounts)

	As Reported	Less: Non-Recurring Items	Less: Restructuring Related Costs	As Adjusted
SALES	\$ 1,008.3			\$ 1,008.3
Cost of goods sold	658.3		\$ (2.7)	655.6
Selling, general, and administrative expenses	279.9		(2.9)	277.0
Write-off of goodwill	900.0	\$ (900.0)	--	--
Restructuring charge	140.0	(140.0)	--	--
	-----	-----	-----	-----
OPERATING INCOME (LOSS)	(969.9)	1,040.0	5.6	75.7
Interest and other expense	28.1	--	--	28.1
	-----	-----	-----	-----
EARNINGS (LOSS) BEFORE INCOME TAXES	(998.0)	1,040.0	5.6	47.6
Income taxes (benefit)	(26.6)	40.0 (A)	1.8	15.2
	-----	-----	-----	-----
NET EARNINGS (LOSS)	\$ (971.4)	\$ 1,000.0	\$ 3.8	\$ 32.4
	=====	=====	=====	=====
Shares Used in Computing Diluted Earnings Per Share (in Millions) (B)	95.1		96.9	96.9
	=====		=====	=====
NET EARNINGS (LOSS) PER COMMON SHARE - ASSUMING DILUTION	\$ (10.21)		\$ 0.04	\$ 0.33
	=====		=====	=====

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(A) Adjustment represents tax effect on restructuring charge.

(B) Option conversion is anti-dilutive due to the loss reported in the quarter. Excluding the goodwill write-off, restructuring charge, and restructuring-related costs, results for the quarter would have been positive. Accordingly, 1.8 million shares have been added to the diluted share count on an "as adjusted" basis.