Advanced Industrial Storage "AIS"
(Smart Tools/Storage)


Offshore Oil & Gas Pipeline Services

Emerging Markets
MPP HT, PT & Commercial MAS


Continue To Exploit BDK Revenue Synergies


RTLS Enabled Security

Organic Growth Initiatives; Investing In The Future

Stanley Black & Decker 3Q'12 Overview

StanleyBlack&Decker

October 17th, 2012

Participants

John Lundgren	***President & CEO***
Jim Loree	***Executive VP & COO***
Don Allan	***Senior VP & CFO***
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.

Key Messages

The Focus Remains On Driving Long-Term Growth & Achieving The Mid-Decade Vision…

- 3Q'12 Revenues Increased 6% YOY To $2.8B; Organic Revenues Relatively Flat
  - CDIY Grew 4% Organically; OM Rate Of 15.8%*, The Highest Post-Merger
  - Industrial & Security Segments Pressured By Certain Weak Markets/Europe
  - Investments In Organic Growth Initiatives To Begin In 4Q'12
- 3Q'12 Diluted EPS Was $1.40*; $0.69 Diluted GAAP EPS
- Niscayah Integration On Track; Operating Margins To Exceed 12% For FY'12, Up 500+ BPS From FY'11
- Agreement Reached To Divest HHI Business; Marks Another Key Step In Continued Portfolio Transformation
  - ✓Brings Exposure To U.S. Home Centers Back To Pre-BDK Merger Levels
  - ✓Retains Upside To U.S. Housing Rebound In CDIY: $1.5B In Revenue From Peak – HHI Never Factored Into Calculation
  - ✓When Considering Infastech, Smaller '12 Acquisitions & HHI Divestiture, Revenue Split Geographically Is Approximately: 46% U.S., 27% Europe & 16% In Emerging Markets

…Irrespective Of The Macroeconomic Backdrop

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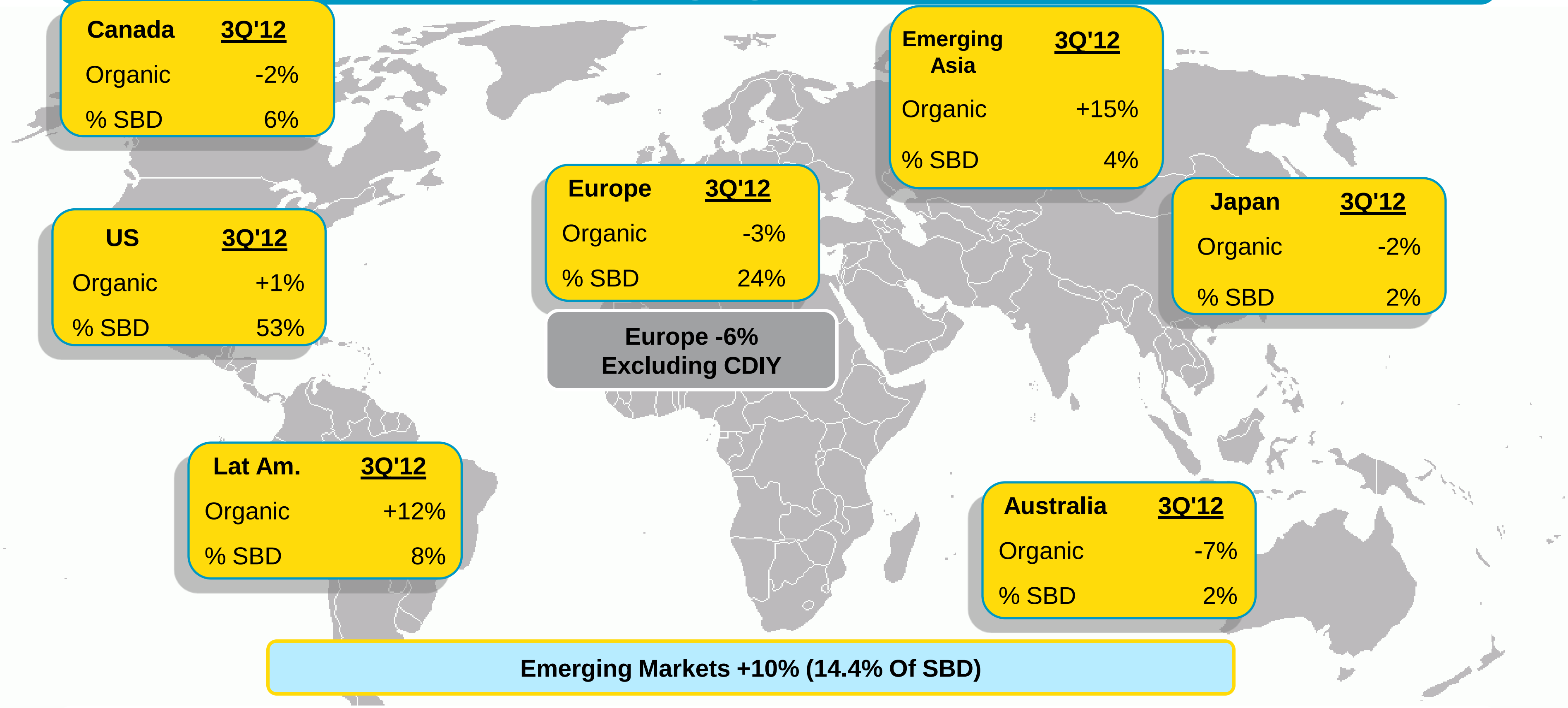
* Excluding Charges (See Appendix For Definition)

3Q'12 Vs Prior Year Global Presence

Organic Sales Were Relatively Flat In 3Q As Strength In The U.S & Emerging Markets…



Canada	3Q'12
Organic	-2%
% SBD	6%

US	3Q'12
Organic	+1%
% SBD	53%

Lat Am.	3Q'12
Organic	+12%
% SBD	8%

Europe	3Q'12
Organic	-3%
% SBD	24%

Europe -6% Excluding CDIY

Emerging Asia	3Q'12
Organic	+15%
% SBD	4%

Japan	3Q'12
Organic	-2%
% SBD	2%

Australia	3Q'12
Organic	-7%
% SBD	2%

Emerging Markets +10% (14.4% Of SBD)

…Was Offset By Weakness In Europe And Smaller Developed Markets

3Q'12 Sources Of Growth

Engineered Fastening & CDIY Posted Solid Organic Growth During 3Q…

Sources Of Growth

	3Q'12
Volume	+0%
Price	+0%
Organic	-
Acquisitions	+9%
Currency	-3%
SWK	**+6%**

3Q'12 Organic Growth

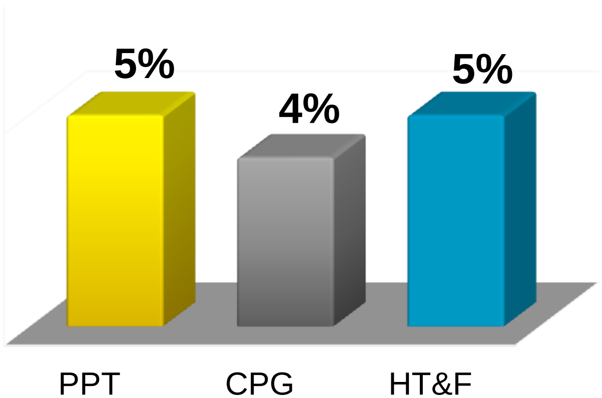
	3Q'12
Engineered Fastening	+7%
PPT	+5%
HT&F	+5%
CPG	+4%
MAS Residential	+3%
MAS Commercial	-3%
CSS	-4%
IAR & Infrastructure	-7%

…Which Was Offset By Soft Security Markets, IAR & Infrastructure

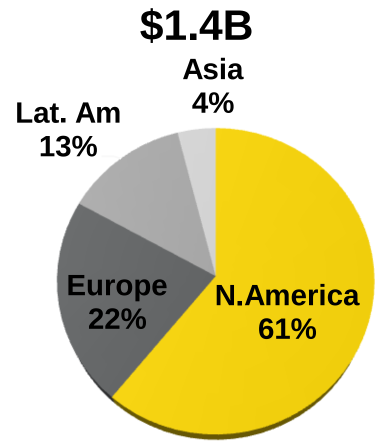
3Q'12 CDIY

Revenue Synergies & New Products Drive Growth; Record OM% Since Merger

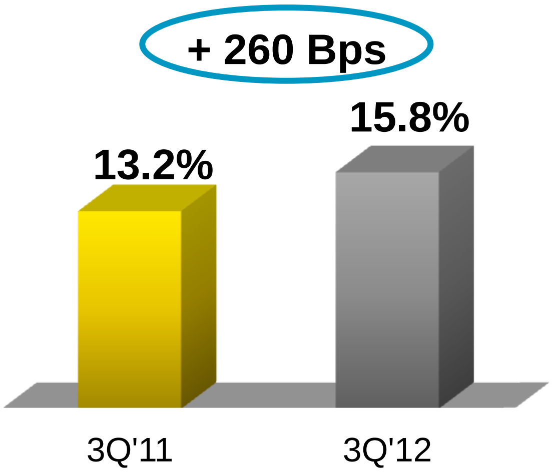
Organic Growth



Regional Revenue



Profit Rate*



Construction & Do-It-Yourself

- Organic Revenues ↑ 4%
  - New Products & Margin-Accretive Promotions In The U.S & Strength In Latin America Drove PPT & CPT Growth
    - DEWALT Next-Gen Circ Saw, Black & Decker MATRIX & Gyro
  - Revenue Synergies Drove HT&F ↑ 5%: Double-Digit Growth In Lat. Am. & Continued Success From DEWalt HT
  - PPT & HT&F Growth In Europe Due To New Products & Market Share Gains In The UK Was Offset By Weakness In CPT & PTA
- OM Rate Rose 260 BPS Due To Volume Leverage & Cost Synergies; Record Profitability Post-Merger

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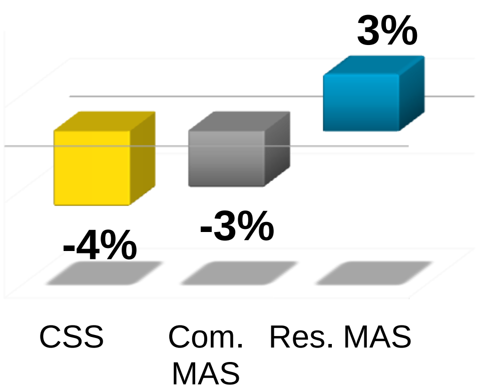
*Excluding Charges

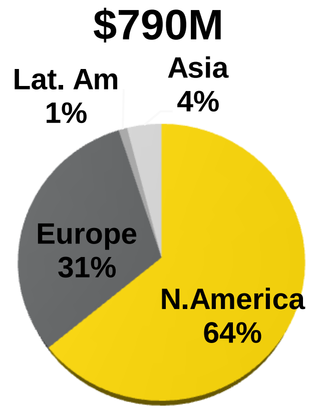
3Q'12 Security

Continued Sequential OM% Improvement In CSS; 18.8% Segment Operating Margin Rate Excluding Niscayah

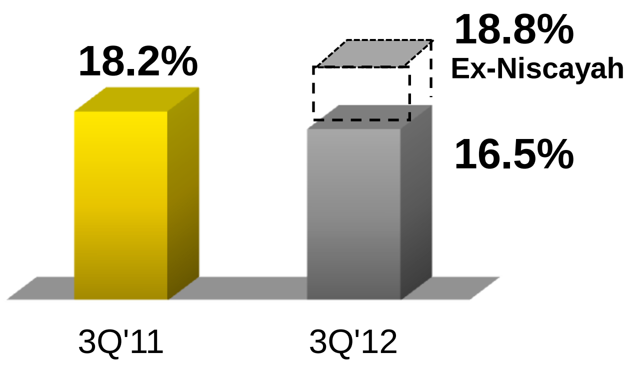
Organic Growth



Regional Revenue



Profit Rate*



[Convergent Security Solutions (CSS)]

- CSS Down 4% Organically
  - 5% PF Revenue Declines In Europe
  - Legacy CSS NA Business ↑ 2% Due To Solid RMR Growth & Backlog Conversion
- Niscayah Integration Continued To Progress Smoothly: FY'12 OM% To Exceed 12%, 500+ BPS Improvement From FY'11

[Healthcare Solutions]

- AeroScout (RTLS Technology) Integration Progressing; Compelling Opportunities For Future Organic Growth Across Entire Company

[Commercial MAS]

- Access Growth Stymied By Weak Remodels/Store Openings At Largest Customer
- Commercial Hardware Sales Down 1%, Impacted By Continued Sluggish US Retrofit Market & MAS MPP Product Gap, Which Is Addressed By The Tong Lung Acquisition

[Residential MAS]

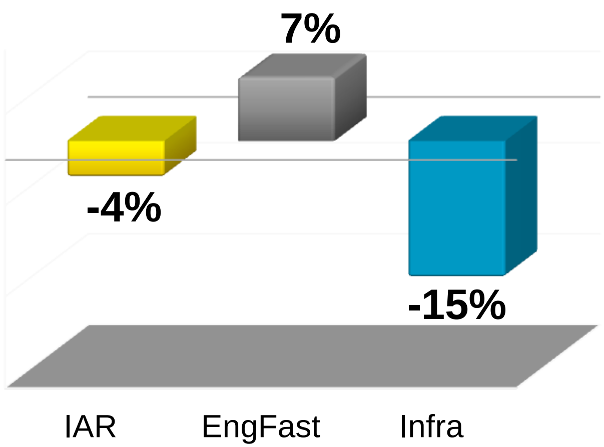
- Strength In North & Latin America More Than Offset Weakness In Asia

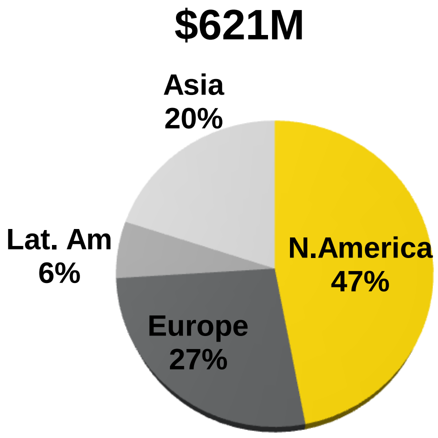
*Excluding Charges

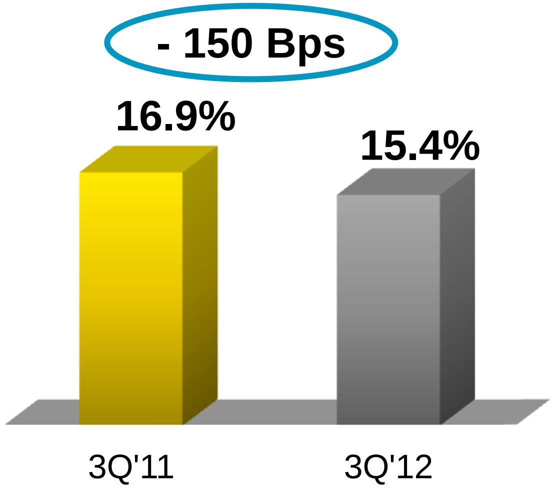
3Q'12 Industrial

Weakness In Europe Pressured The Industrial Segment

Organic Growth	Regional Revenue	Profit Rate*







Industrial & Automotive Repair (IAR)

- Organic Revenues Down 4% VPY As Volumes In Developed Regions Slowed
  - -7% Organic Revenue In Europe & -4% In NA
  - 16% Growth In Emerging Markets Partially Offset
- Low Single-Digit Organic Growth In NA Mobile Distribution Business
- Advanced Industrial Solutions (AIS) At Work: Smart Storage Growth Up Sharply On Automated MRO Vending Wins

Engineered Fastening

- 7% Organic Growth Driven By China & NA Automotive Sales; Overcame Europe -3% Headwind

Infrastructure (Hydraulics & CRC-Evans)

- Volume Growth In Offshore More Than Offset By Weak Onshore Large Diameter Pipeline Volumes
- Declining Scrap Steel Market Pressures Hydraulics Business

*Excluding Charges

Revving Up Organic Growth

Reinvest ~$150M In Growth Programs To Deliver $800-$900M Run Rate Incremental Revenue In 3 Years

~3 Yr. Incremental Revenue (Annualized)	OpEx Investment Required	Growth Program	Actions
$400M	$80 Million	Emerging Markets SBUs: MPP Hand Tools Power Tools / Commercial Hardware	• Focus On China, SE Asia, India, Russia, Turkey • Add ~300 Local Commercial Resources • Attack MPP Markets With Asian Based SBUs
$100M		Advanced Industrial Solutions “Smart” Tools & Storage	• Create “Smart” Tools & Storage Market • Expand MRP Vending Business • Add 30-40 Feet On The Street
$100M		RTLS Penetration Healthcare /Security Verticals	• Create RTLS-Based Ecosystem • Own The “C-suite” W/Differentiated Value Prop. • Add 30-40 Feet On The Street + Vertical Resources
$100M		US Government Healthcare / Security / Industrial	• Redefine Current Go To Market Strategy • Increase Coverage At Local Level • Washington Teams Repurposed
$100M		Offshore Oil & Gas Spool Bases / Coating Tech. / Inspection	• Establish Portable Factory Coating And Spool Base Capabilities • Leverage Strong Customer Relationships
$50M		Continuing To Capture BDK Integration Revenue Synergies	• Black & Decker HT Launch Focusing On MPP Products & Global Markets • Continued Expansion Of DeWalt HT Range

Total

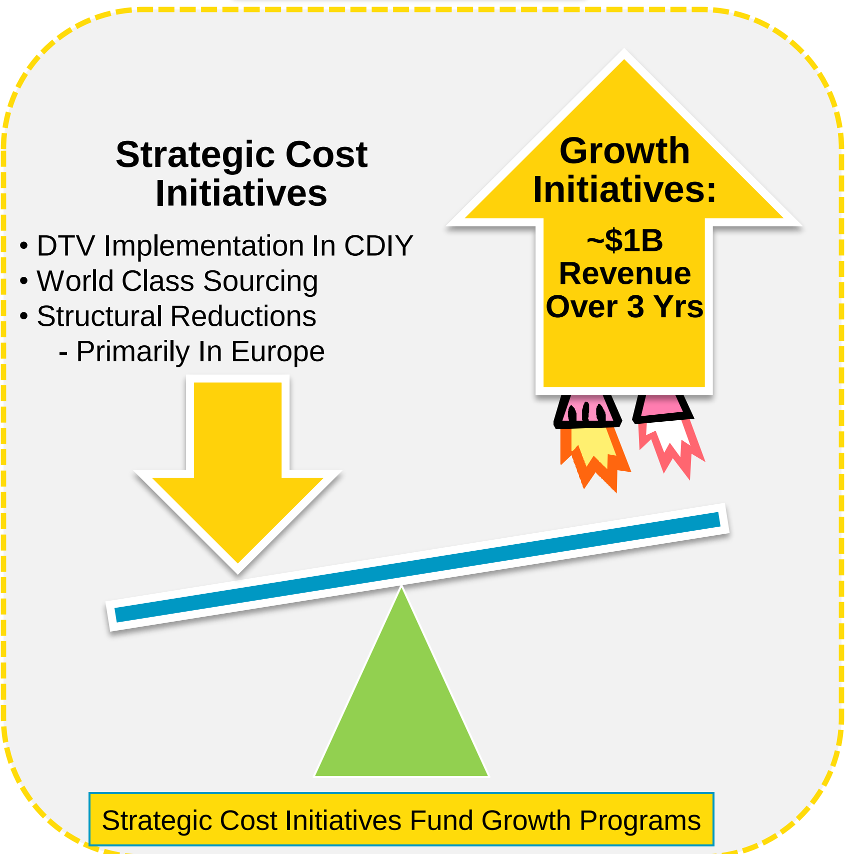
~$850M $80M + $20M EM Incremental Brand Support = $100M OpEx & ~$50m CapEx

Achieve LT Growth Objectives With No Help From The Environment

Unique Approach To Organic Growth

Strategic Cost Initiatives Fuel Targeted Growth…

Approach



Keys To Execution

1. Program-Managed With Acquisition Integration Methodology And Rigor
2. Small, Dedicated Corporate Growth Team To Allocate Resources And Remove Obstacles
3. Seasoned Global Team Leaders Held Accountable For Execution
4. Senior Executive Oversight At Bi-Weekly Steering Committee Meetings
5. Robust Scorecards & Tracking Tools
6. Controlled & Efficient Business Case Reviews | Approvals

…Leveraging Integration Tools & Rigor to Ensure Success

Emerging Markets (Proforma Ex-HHI With Infastech)

Emerging Markets Represent 16% Of Company Revenues, With ~20% OM Growing >20%…

Region ($ in Millions)	2009 SWK + BDK	2012E	3 Yr. CAGR
Latin America	$506	$900	21%
Middle East/Africa	$127	$300	33%
China	$111	$190	19%
Southeast Asia	$68	$100	15%
India	$30	$60	26%
Russia/CIS	$25	$60	31%
Turkey	$11	$30	38%
Eastern Europe	$8	$15	20%
Total	~$900	~$1,600	22%

Goal Is 20%+ Of Revenues By 2015 And 30% By End Of Decade

Emerging Markets

Achievement Of Growth Objectives Will Require A Radical Change In Approach To Emerging Markets

From	To	Actions Underway
• Incremental Investments In Emerging Markets	• Major Commitment To Resource To The Size And Scope Of Opportunity	• Funded Through The Major Growth Initiative
• Business Unit Center Of Gravity	• Regionally Led Center Of Gravity	• A Corporate Officer To Lead All Emerging Markets
• High Price Point, Western Designed Products (10-20% Of Market) • Suboptimal Reinvention Of Local MPP Product Lines In Each Emerging Market	• Mid Priced Point Products (70%+ Of Market) Designed By LCC Engineers • One Globally Coordinated Effort	• Three New Product SBUs Formed With Global Emerging Markets Responsibility – Power Tools – Hand Tools – Commercial Hardware • All Located In Emerging Markets
• Limited MPP Product Line, Generally Sourced	• Full Product Lines, Internally Manufactured In Local Markets	• Blanket China, India, Brazil, Turkey With Local MPP Plants
• Under-Resourced Commercial Organization	• Commercial Organization Sized To Address Market Opportunity	• Add 300-400 Commercial Resources Throughout The Emerging Markets
• Separate CDIY And IAR Efforts Selling Into Channels That Don't Recognize Distinction Between The Two	• One Unified Effort Focused On Gaining Profitable Market Share	• Innovative Internal JV Concept • Managed By A Senior Leader With Corporate/CDIY/IAR Governance Oversight

SWK Only Tool/Hardware Company With Sufficient Scale To Exploit Full Opportunity

3Q'12 & FY'12 SBD Free Cash Flow*

SFS Continues To Drive Supply Chain Efficiency

	QTD			YTD		
	3Q'11	**3Q'12**	**V$**	**YTD'11**	**YTD'12**	**V$**
Net Income	$ 219	$ 232	$ 13	$ 658	$ 636	$ (22)
Deprec/Amort	100	106	6	298	331	33
Working Capital	(14)	(175)	(161)	(72)	(286)	(214)
Other / Restr.	(76)	72	148	(274)	(51)	223
Operating CF	**229**	**235**	**6**	**610**	**630**	**20**
CapEx	(52)	(66)	(14)	(160)	(168)	(8)
Free Cash Flow	**$ 177**	**$ 169**	**$ (8)**	**$ 450**	**$ 462**	**$ 12**

~$460M FCF YTD; Tracking To $1.2B* Annual FCF Guidance

* Excluding Charges

Stanley Black & Decker 2012 Outlook Update

The Company Now Expects FY'12 EPS To Be $5.25* Versus Prior Range Of $5.40 - $5.65* Based On The Following Key Operating Assumptions:

Updating…

- 2012 Organic Net Sales To Increase ~1% From A 2011 Revenue Base Of $11B, The Low End Of Prior Range Of 1- 2% Due To Lower Volumes In Industrial Europe & MAS Businesses
  - Combination Of Lower Volumes & Negative Associated Mix To Result In $0.30 EPS Headwind To FY'2012
  - Implies 4Q Organic Volume To Be -1%
- $15M Of Investments For Growth Initiatives In 4Q'12
- Improvement Of FX Rates In Late September vs End Of 2Q:~$0.10

Reiterating…

- Organic Growth Assumptions By Region:
  - North America Up ~1% (+1.4% YTD)
  - Europe Down ~3% (-2% YTD)
  - Emerging Markets Up ~10-15% (+11% YTD)
- $115M In BDK Cost Synergies And $45M Due To The Niscayah Acquisition, & Other Cost Reduction Actions With Pre-Tax Benefits Totaling ~$200M
- FY Tax Rate To Be 22.5%

Reiterating Free Cash Flow Guidance Of ~$1.2B*

Mid-Point Of Prior FY Guidance Range	($0.30) Due To Lower Growth & Negative Mix	($0.08) Due To Growth Investments	+$0.10 Positive FX	New FY Guidance
$5.53				$5.25

4Q'12 EPS To Approximate $1.45

Continued Retractions In Certain Markets Drives Lower FY EPS Guidance; Free Cash Flow Guidance Reiterated

*Excluding Charges
(2011 Revenue Base Assumes PF Niscayah)

HHI: Portfolio Transformation

Post Transformation, ~20% Of FCF Generated Onshore

Hardware & Home Improvement (HHI)

- $1.4B In Cash Proceeds : $1.3B After Tax
  - ~7.5x LTM 6/30 EBITDA Of $186M
  - ~$0.60 Dilutive On Annual Basis

~85% / $1.1B Of Proceeds Onshore

Share Repurchase

- Between $700 - $750M Likely To Be Used For Share Repurchases
- At $75, Implies ~$0.30 Of Annualized Accretion
- Repurchases Will Not Commence Until Deal Closes – Targeting Late December/January Closing

Infastech Acquisition

- ~$300M To Go Towards Paying For Onshore Portion Of Infastech Acquisition
- $0.15 Accretion In 2013; $0.35 By Y3
- Remaining $550M Of Purchase Price To Be Financed Largely By Overseas Cash/HHI Offshore Proceeds

Modest Deleveraging

- ~$100M Towards Deleveraging In Order To Maintain Strong Investment Grade Credit Rating

Results In Modest Annualized Dilution Of ~$0.10 - $0.20

Between 65-70% Of Onshore Proceeds To Be Used For Share Repurchase

Looking Ahead To 2013

The Tailwinds & Headwinds Apparent At Present…

Tailwinds	**Headwinds**
$50M Incremental Black & Decker Cost Synergies (~$0.23)	• ($0.10 - $0.20) Of Net Dilution From HHI Assumes: • ~($0.60) Gross Dilution • ~$0.30 Of Accretive Share Repurchases • ~$0.15 Of Accretion From Infastech
$35M Incremental Niscayah Cost Synergies (~$0.15)	
$50M Incremental Cost Containment Actions (~$0.23)	

Net Neutral Impact From Price/Cost Benefit & Mix Headwind

Growth Driven From Organic Growth Initiatives Will Begin To Be Accretive By 2014; Will Be Neutral In 2013

…Net To $0.40 - $0.50 Of Incremental EPS To Drive Earnings In 2013

Summary

Investing In Organic Growth Initiatives…

- Continued Volume Retractions In Certain Highly Profitable Businesses
  - Industrial Europe & MAS
- January & July Cost Containment Actions Successful, But Not Enough To Offset Continued Deterioration In 3Q & Anticipated Incremental 4Q Slowdown
- Investing $15M In Organic Growth Initiatives In 4Q'12
  - Initiatives To Drive $800 - $900M Of Incremental Organic Revenue & $200M In OM Over Next 3 Years; Will Be Neutral In 2013
  - Focused On Long-Term Benefits For Businesses & Stakeholders
  - Important Step To Ensure Attainment Of Mid-Decade Goals
  - Curtailment Of Major Bolt-On Acquisition Activity For Next Several Quarters
- Niscayah And Black & Decker Integrations Continue To Yield Success

…In Order To Ensure Attainment Of Long-Term Organic Growth Targets Without Relying On Help From Markets

APPENDIX

Stanley Black & Decker 2012 Outlook Appendix

Including All M&A Charges, The Company Expects EPS To Approximate $3.65

"Charges": Merger & Acquisition charges, charges associated with the cost actions implemented thus far in 2012 as well as the charges related to the extinguishment of debt during 3Q'12.

<u>The Company Estimates The M&A Related Charges To Be As Follows:</u>

• Total M&A Related Costs In 2012 To Be $350 Million Consisting Of Restructuring And Related Costs Associated With Severance Of Employees And Facility Closures, Certain Compensation Charges, Advisory And Consulting Fees, And Charges Associated With The Extinguishment Of Debt

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

- ***$440M Of D&A ($210M A, $230M D)***
- ***Cash EPS Of ~$6.25 (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 $16.6 million in 3Q 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, as well as the charges associated with the extinguishment of debt during the quarter.