

STANLEY®

Stanley Introduces New Brand That Exemplifies The
170-Year Reputation For Innovation, Quality And Performance

Stanley Black & Decker
2Q'13 Overview

StanleyBlack&Decker

July 26, 2013

Participants

John Lundgren

Chairman & CEO

Jim Loree

President & COO

Don Allan

Senior VP & CFO

Greg Waybright

***VP Investor & Government
Relations***

Cautionary Statements

Certain Statements Contained In This Presentation Are Forward Looking. These Are Based On Assumptions Of Future Events Which May Not Prove To Be Accurate. They Involve Risk And Uncertainty. Actual Results May Differ Materially From Those Expected Or Implied. We Direct You To The Cautionary Statements Detailed In The Corresponding Press Release And Form 8-K And Our Recent 1934 Act SEC Filings.

2Q'13 Highlights

Robust 5% Organic Growth Driven By CDiy And Industrial...

- 2Q'13 Revenues Increased 12% Due To 5% Organic Growth And Addition Of Infastech
- 2Q'13 Diluted EPS Of \$1.21*, Up 7% VPY - 2Q'13 Diluted GAAP EPS Of \$1.23
- Organic Growth Initiatives Accelerating; Particularly In The Emerging Markets
- CDiy And Industrial Deliver Compelling Top-Line And Operating Margin Growth
 - CDiy Delivered Robust Organic Growth Of 6% And Exceeded 15% OM Rate*
 - Engineered Fastening Grew 9% Organically, Outpacing The Core Auto Market
- Security Organic Revenue Down 1% Driven By CSS Volume Declines In Europe Partially Offset By Organic Growth In Commercial Hardware And Automatic Doors
 - Orders Increased In Both North America & Europe In 2Q
 - Volume, Niscayah Synergies And Platform Growth Investments To Drive Margin Recovery In 2H
- Maintaining Full Year Guidance As Increased Organic Growth Expectation Offsets FX Headwinds

...Positions Us To Exceed Our 2013 Organic Growth Targets

2Q'13 Sources Of Growth

Organic Growth Increases Sequentially...

Sources Of Growth

	1Q'13	2Q'13
Volume	- 1%	+ 6%
Price	Flat	- 1%
Organic	- 1%	+ 5%
Acquisitions	+ 4%	+ 7%
Currency	Flat	Flat
SWK	+ 3%	+ 12%

Regional Organic Growth

	1Q'13	2Q'13
United States	+1%	+ 6%
Europe	- 3%	+ 2%
Emerging Markets	- 1%	+12%
Rest Of World	- 4%	- 2%
SWK	- 1%	+ 5%

...As Momentum From Growth Initiatives Continues To Build



2Q'13 Organic Growth Initiatives Update

Organic Growth Initiatives Accelerate In Quarter...

2Q'13 | YTD '13 Organic Growth Initiatives

- 450 “Feet On The Street” Hired YTD
 - 280 In Emerging Markets
- Completed Acquisition Of GQ
 - #3 Chinese Power Tool Company
 - Expands MPP Footprint
- On Track To 3-Year Commitments
 - \$850M Incremental Revenue
 - \$200M Operating Margin

Emerging Market Growth Initiative

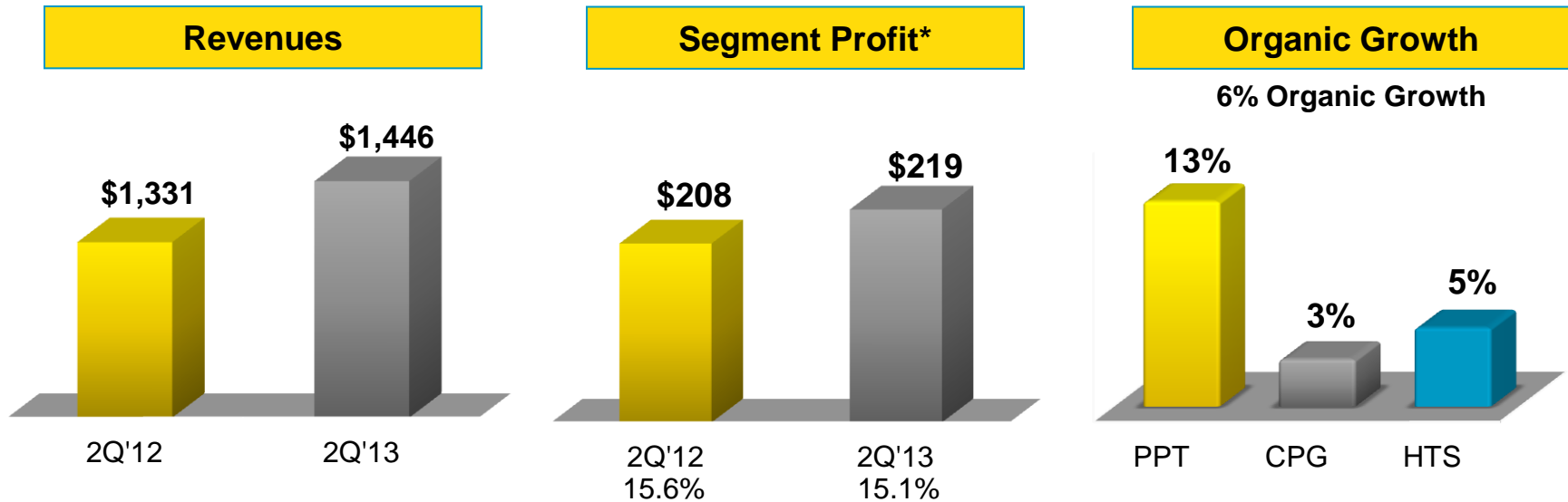
Organic Growth

	2Q'13	
CDIY & IAR	Russia	+31%
	China	+24%
	SEA	+13%
	MEA	+15%
	Latin America	+15%
	Total	+16%

...And Are Now Expected To Contribute 2 Points Vs. 1 Point Of Growth For The Year

2Q'13 CDIY

Excellent Execution Along With Improving Markets Deliver Strong Results...



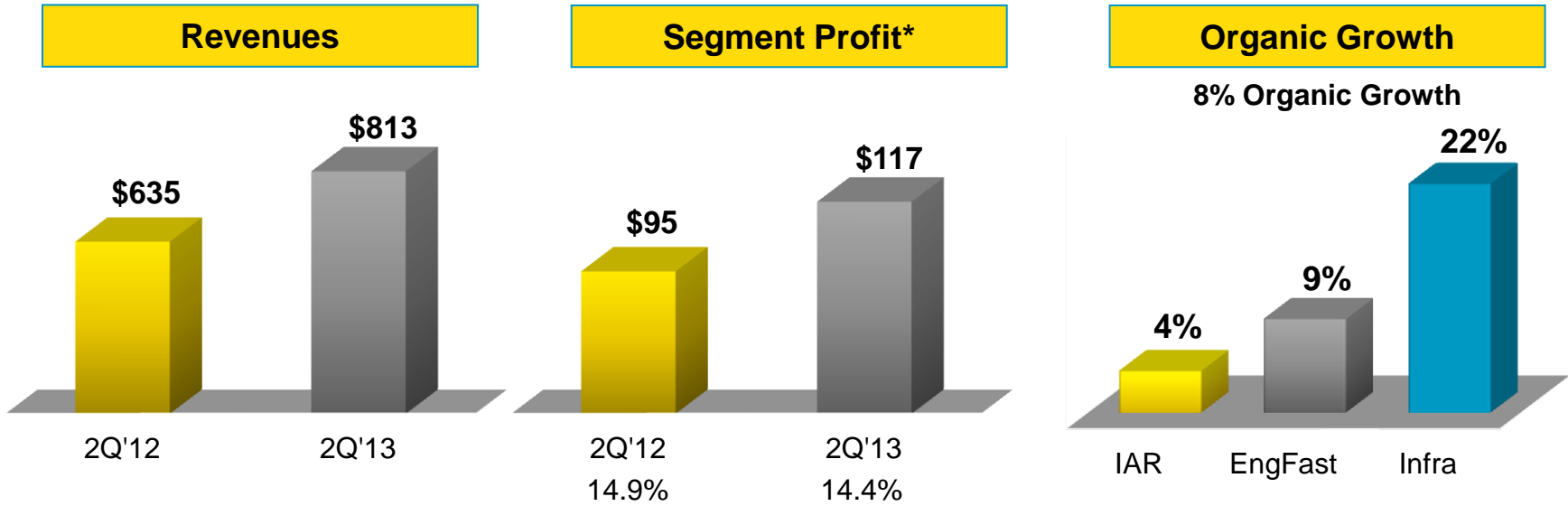
Construction & Do-It-Yourself

- 6% Organic Growth: U.S. +5%, Europe Relatively Flat, Emerging Markets +15%
- OM Rate Reflects Promotional Shift To 2Q And Impact Of Growth Initiative Investments
- PPT: Strength From US Promotions, New Product Introductions And Emerging Market Gains
- CPG: Growth From Outdoor, Steam And Emerging Markets
- HTS: Benefited From BDK Revenue Synergies (DEWALT)

...Revenue And Margin Growth Accelerating – Strong 2H Outlook

2Q'13 Industrial

Industrial Had An All Around Solid Quarter....



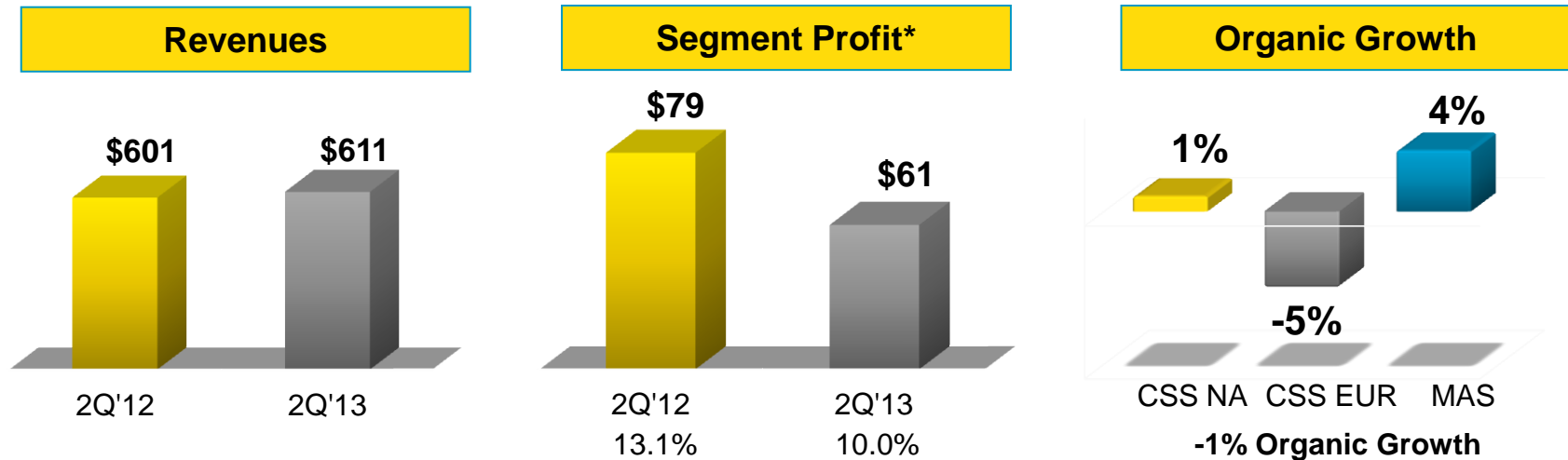
Industrial

- 8% Organic Growth: Engineered Fastening +9%, IAR +4%, Infrastructure +22%
- OM Rate Reflects Growth Investments And Slight Infastech Mix Down
- Engineered Fastening: Auto +15% Outpaced +1% Global Light Vehicle Auto Production And Infastech Integration On Track (+9% Pro Forma Organic Growth)
- IAR: North America +2% With Mac Strength Offsetting Weak Government And Growth Initiatives Gaining Traction (EM & MRO Vending)
- Infrastructure: Oil & Gas Up >40% Organically
 - Recovery Of North America Market And Strong Offshore Growth

...Surging Growth Driven By Growth Initiatives And Engineered Fastening

2Q'13 Security

Organic Growth In MAS Offset By Continued Europe Weakness...



- CSS Organic Revenue Down 3% As +1% Growth In North America Offset By Europe Down 5%
 - 2Q Order Rates Grew In North America And Europe By 7% And 11%, Respectively
- MAS Organic Revenue +4% On Commercial Lock Direct To Distributor Model Success & Increased Automatic Door Install Activity At Select Retailers
- Margin Decline Driven By Growth Investments, Field Cost Productivity, Europe Volume Headwinds & Impact Of Distributor Model Shift

2H'13 Margin Growth Drivers

- Benefits Relating To Organic Growth Investments
- Conversion Of Growing Order Backlog
 - Drives Field Efficiency
- Completion Of SMS Model Transition
- Increased Level Of Nisctayah Synergies As Communicated In April

Actions Drive Operating Margin To Mid-Teen Levels In 2H'13

...Volume, Nisctayah Synergies & Growth Investments To Drive Margin Expansion In 2H'13

Working Capital

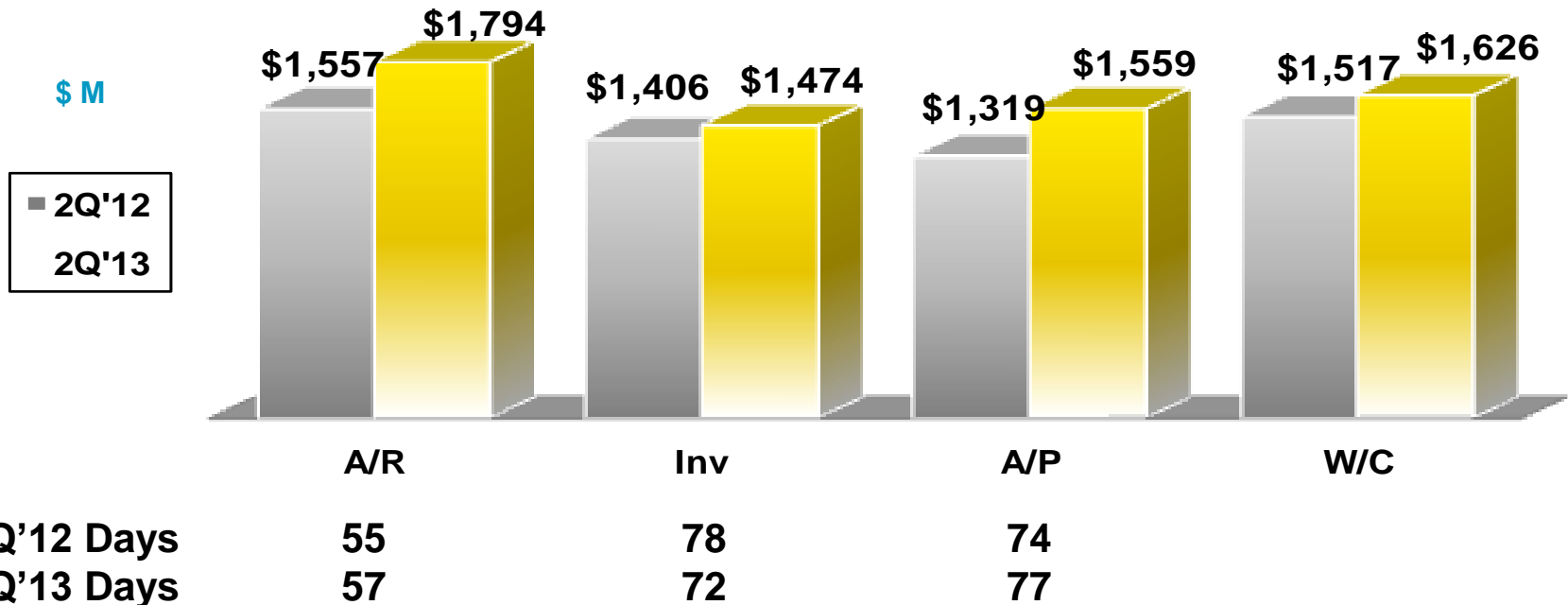
W/C Turns Improve...

+ 2 Days

- 6 Days

+ 3 Days

6.8 → 7.1 Turns



...Continue To Deliver WCT Expansion To Achieve Our 2016/2017 Goal Of 10 WCT

2Q'13 Free Cash Flow*

YTD FCF Trailing Prior Year Performance...

	2Q'12	2Q'13	V\$	YTD'12	YTD'13	V\$
Net Income	\$ 222	\$ 186	\$ (36)	\$ 404	\$ 350	\$ (54)
Deprec/Amort	109	108	(1)	\$ 225	\$ 214	(11)
Working Capital	40	68	28	(112)	(127)	(15)
Other / Restr.	(5)	(90)	(85)	(121)	(229)	(108)
Operating CF	366	272	(94)	396	208	(188)
CapEx	(64)	(54)	10	(102)	(122)	(20)
Free Cash Flow	\$ 302	\$ 218	\$ (84)	\$ 294	\$ 86	\$ (208)

...\$1.0B* In Free Cash Flow For FY Remains Achievable

Stanley Black & Decker Reiteration Of 2013 Outlook

16-21% EPS Growth On 4-5% Increase In Organic Sales | Free Cash Flow To Approximate \$1.0B*

**2013 EPS Expected To Be In The Range Of
\$5.40–\$5.65***

The Following Assumptions Which Are Neutral Changed From Prior Guidance:

- Organic Net Sales To Increase 4-5% From 2012 (Vs. The Prior 2-3% Increase) Driving \$0.20 Accretion Vs. Prior Guidance (Range Of \$0.20-\$0.35)
 - Core Expected To Grow 2-3% (\$0.30-\$0.45) From Prior Expectation Of 1-2%
 - Organic Growth Initiatives To Yield 2 Points Of Growth, But Will Be ~\$0.10 Dilutive To EPS (Vs. Prior Guidance Of \$0.15 Dilution)
- FX To Be A Headwind Of \$0.20 Vs. Neutral In Prior Guidance

Other Key Guidance Items:

- We Anticipate 3Q To Approximate 42% Of 2H EPS, Slightly Lower Than 46 – 47% 3Q/2H Norm, Due To:
 - Expected Sequential 2H Security Profitability Improvements
 - Acceleration Of Organic Growth Initiative Volume Relative To Investments
- All Other Prior Guidance Items Remain Unchanged

**Organic Growth Expected Across Entire Portfolio
Led By CDIY**

FY 2013 Segment Outlook:

CDIY

- Mid-Single Digit Organic Revenue Growth Expected For 2013
- OM% To Increase YOY Due To Cost Synergies; Growth Investments To Offset Most Of Incremental Profit Driven By Volume

Security

- Low-Single Digit Organic Revenue Growth Expected For 2013; Growth In North America To Offset Continued Low-To-Mid Single Digit Declines In Europe
- OM% To Decrease YOY Due To Factors Impacting First Half Performance

Industrial

- Mid-Single Digit Organic Revenue Growth Expected For 2013
- OM% Expected To Decrease YOY Due To Slightly Lower Than Line Average Infastech Margins & Growth Investments

2H'13 Sequential Improvement Driven By Incremental Volume And Security Margin Performance

Summary

2013 Positions Company To Achieve 2016/2017 Vision...

- Excellent Progress With Growth Initiatives; Sequential Improvement Realized
- CDIY To Achieve Mid-Single Digit Organic Growth For FY 2013 Fueled By New Products, Market Share Gains & Emerging Markets
- Industrial Delivering Against Organic Growth Targets And Infastech Integration Continues To Progress On Target
- Conversion Of Security Backlog, Benefits From Growth Initiatives, & Niscayah Synergies To Drive Improved 2H Performance

Remain Focused On Driving Organic Growth & Efficiencies Across The Entire Company, Maximizing Synergies Across Our Lines Of Business & Allocating Capital In Ways That Provide Excellent Returns For Our Shareholders

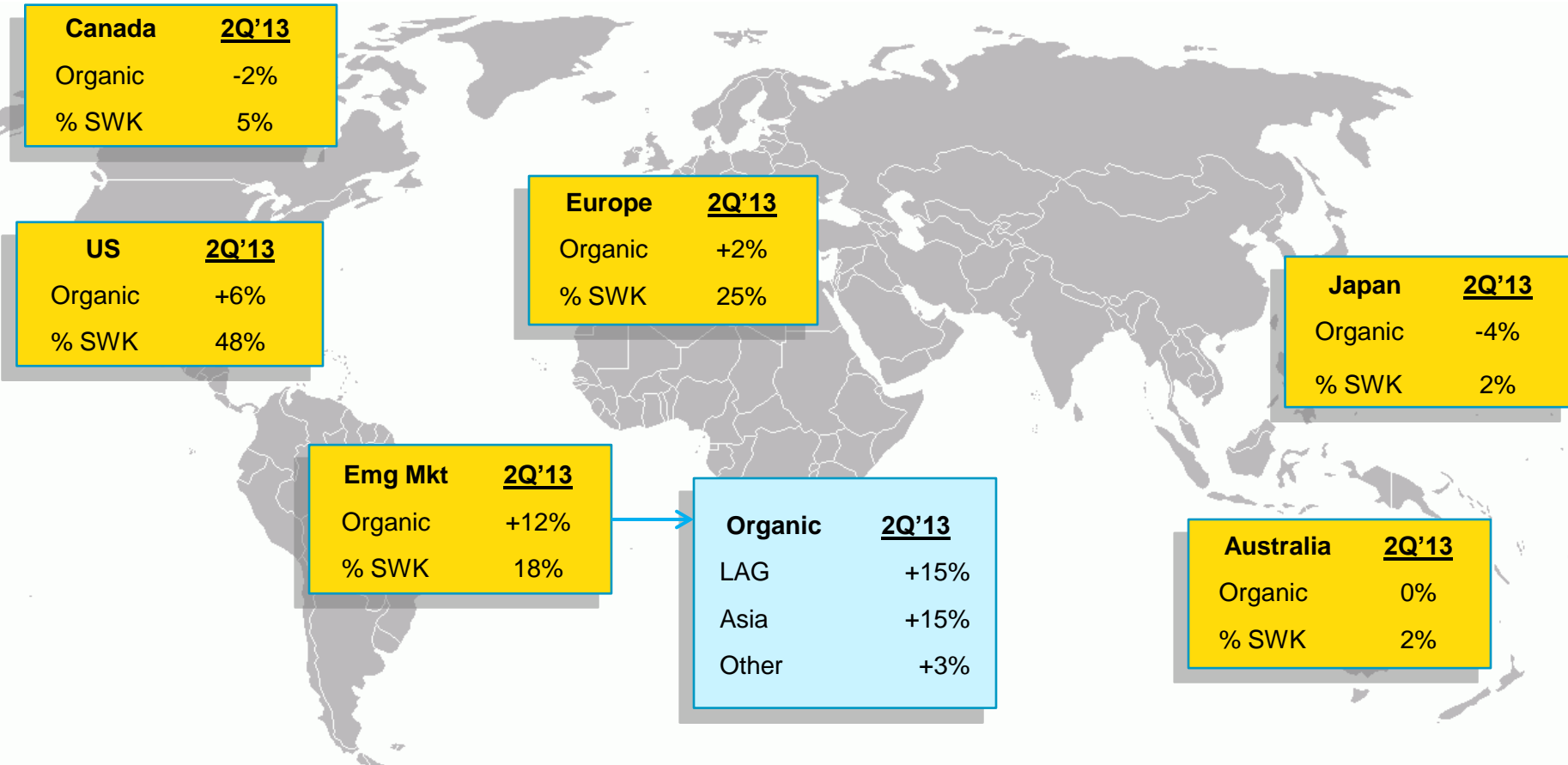
...With 4-5% Organic Growth & 16-21% EPS Expansion

APPENDIX

Global Presence

Note: Emerging Market Figures Shown On Slide 6 Reflect Only The Growth In The Regions Tied To The Emerging Market Growth Initiative

Growth In Emerging Markets Shows Strong 2Q Performance...



...However, All Regions Show Improvement From Prior Quarter

These results reflect the Company's continuing operations. The Company sold its Hardware & Home Improvement business (HHI), including the residential portion of Tong Lung in December of 2012. The sale of this business occurred in a First and Second Closing. The First closing, which excluded the residential portion of Tong Lung, occurred on December 17, 2012. The Second closing in which the residential portion of Tong Lung was sold occurred on April 8, 2013. The operating results of the residential portion of Tong Lung have been reported as discontinued operations for Q2 2013 while the operating results of HHI have been reported as discontinued operations for Q2 2012. Total sales reported as discontinued operations relating to these businesses were \$2.1 million and \$247.2 million for Q2 2013 and Q2 2012, respectively.

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. 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. The normalized statement of operations, cash flows and business segment information, as reconciled to GAAP on pages 13-18 of the financial statements and schedules contained in the Company's July 26, 2013 press release (the "Financial Statements") for 2013 and 2012, 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, the Niscayah and Infastech acquisitions and other smaller acquisitions of the Company. Normalized cash flow and free cash flow, as reconciled from the associated GAAP measures on pages 15-16 of the Financial Statements for 2013 and 2012 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 and charges.