

First Quarter 2022 Overview

April 28, 2022

StanleyBlack&Decker



Participants



Jim Loree

CEO



Don Allan

President & CFO



Dennis Lange

VP, Investor Relations

Cautionary Statement

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 '34 Act SEC Filings.

The Company's Results Represent Continuing Operations And Exclude The Commercial Electronic Security, Healthcare, And Access Businesses Following The Recently Announced Divestitures, Unless Specifically Noted. These Transactions Are Expected To Close Mid-Year 2022. These Businesses Previously Were Included In The Security Segment And Have Been Recorded As Discontinued Operations.

1Q 2022 Key Messages

1Q Revenue +20% And Higher Sequential Margins Driven By Strategic Transactions And Operational Execution

- Capitalized On A Sustained Strong Demand Environment, Strategic Outdoor Acquisitions & 5% Price Realization To Deliver \$4.4 Billion Of Revenue, Up 20% Versus Prior Year
- Announced The Divestiture Of Access Technologies For \$900 Million In Cash
- Made Substantial Progress Toward \$4 Billion Share Repurchase Program, Initiating \$2.3 Billion In ASR & Open-Market Repurchases
- Remain Focused On Day-To-Day Operational Execution, Inventory Management And Price Realization
- Confident In Our Multi-Year Runway For Growth, Margin Expansion & Long-Term Shareholder Value Enabled By Continued Investments In Innovation, Strategic Growth Initiatives And Capacity Expansions To Better Serve Our Customers

Key Financials

\$4.4B

Total Revenue

+20%

Total Revenue Growth

(1%)

Organic Growth*

+5%

Price Realization

+230 Bps

Sequential GM%* Improvement

\$2.10

Adjusted Diluted EPS*

Portfolio Optimization & Capital Allocation

Maximizing Capital Allocation To Deliver A More Focused Portfolio & Long-Term Shareholder Value Creation...

Strategic Divestitures At Attractive Valuations...

STANLEY.
Security

STANLEY.
Access Technologies

\$3.2 Billion

**Gross
Proceeds**

\$0.9 Billion

~16x

**EBITDA
Multiple***

~18x

Expect ~\$3.5 Billion After-Tax Proceeds

...Enabling Significant Capital Allocation

Outdoor Acquisitions ~\$3 Billion Revenue | ~8.5x EBITDA



MTD
For A Growing World

StanleyBlack&Decker

EXCEL
INDUSTRIES

Cub Cadet

TROY-BILT
BUILT FOR LIFE!

DEWALT

CRAFTSMAN

BIG DOG

HUSTLER

\$4 Billion

Share Repurchase Program

Returning Capital To Shareholders At Compelling Value

...Actioned \$2.3 Billion Capital Return In Q1 Through Share Repurchases

Positioning Supply Chain For Growth

Supply Chain Remains Dynamic | Electronic Component Availability Improving, As Expected...

Investing In Supply Chain Capacity, Efficiency & Resiliency To Better Serve Our Customers

1 Capacity Expansion *Make Where We Sell*

2 Strategic Sourcing *Secured Battery Cell Capacity Expansion | Electronic Component Capacity Continues To Improve*

3 Factory Automation *Flexible Automation Supporting Competitive U.S. Manufacturing*

Progressing Inventory & Supply Chain Actions

Inventory

- 1Q Inventory Build In Preparation For Outdoor Season, Spring Merchandising & Father's Day
- Goods-In-Transit Stable Versus Year-End Levels
- Planned To Decline Sequentially In 2H | Reduction vs. '21 By Year End

Supply Chain

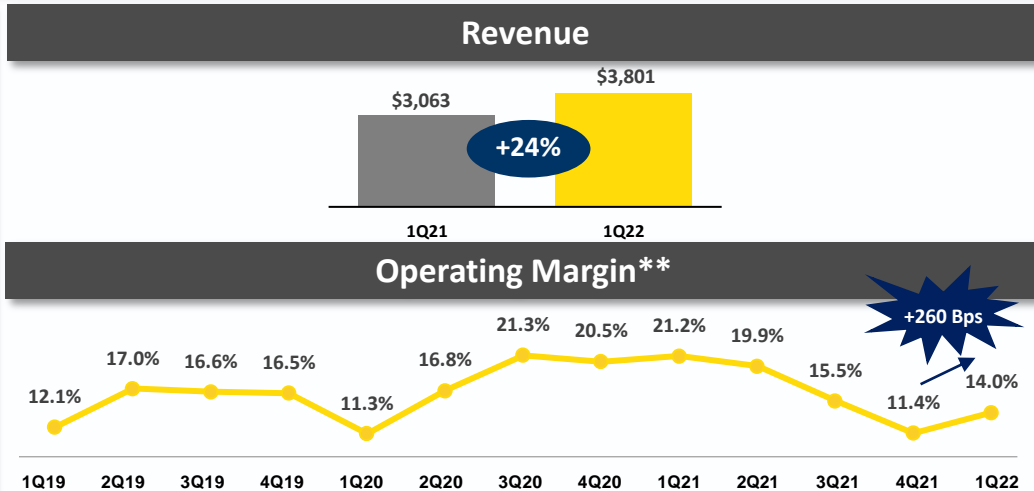
- Electronic Component Supply Continues To Improve
- 2Q Semiconductor Supply Availability Remains On-Track
- Supply Chain Remains Challenged, But Relatively Stable vs. Year End

...Focusing On Reducing Inventory Levels And Continuing To Meet The Strong Demand

1Q'22 Segment Overview

Demand Remains Strong With Price Mitigating Inflation Across Segments

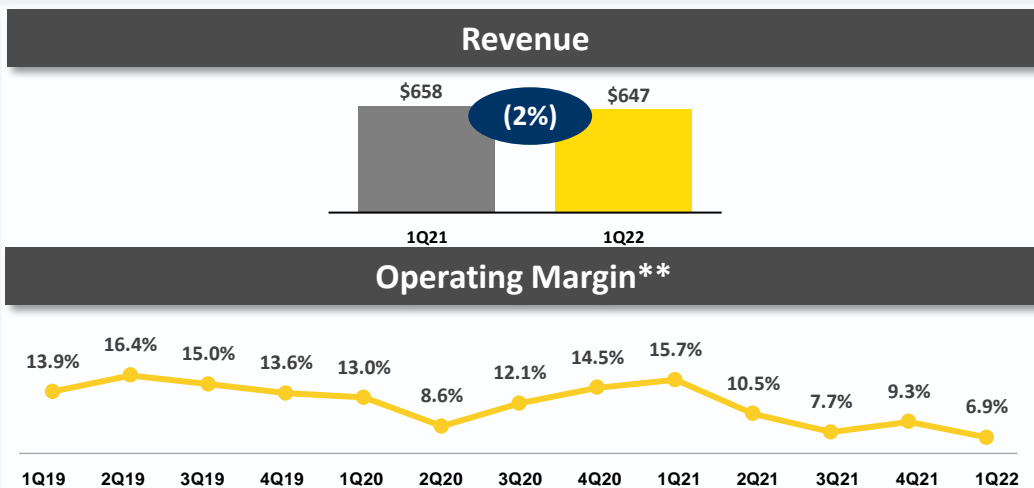
Tools & Outdoor



- 1Q Organic Growth* (1%)
 - (3%) N.A., +2% Europe, +5% EM | (1%) PT, (1%) HTAS, +4% OPG
- Pricing Contributed +5% Offset By Volume (6%) | Price Accelerated 60 Bps Vs. 4Q'21 As New Global Price Increases Were Implemented In Response To Commodity Inflation And Higher Costs To Serve | Regional Organic Growth Relatively In-Line With Anticipated Supply-Constrained Performance
- U.S. Retail Point-Of-Sale Demand Remained Strong Driven By Professional Construction Markets And Innovation With POS Growth Rates Stronger Than The Growth Rates Experienced In 2H'21

OM Rate* 14.0% | Down VPY As The Initial Benefit From Price Realization Was More Than Offset By Inflation, Higher Supply Chain Costs, Growth Investments And Lower Volume

Industrial



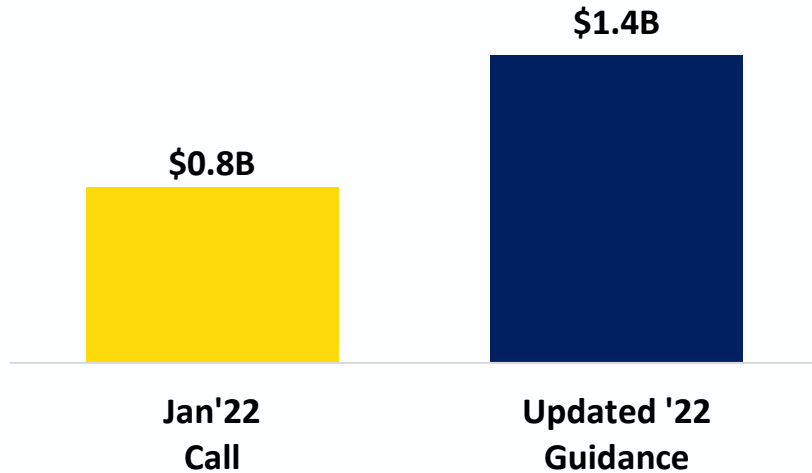
- 1Q Organic Growth* Flat
 - (1%) Engineered Fastening | +4% Infrastructure
- Pricing Contributed +5% Offset By Volume (5%)
- Engineered Fastening: General Industrial Fastener Growth Was Primarily Offset By A Market-Driven Decline In Automotive
- Infrastructure: Attachment Tools Growth (+13%) Partially Offset By Significantly Lower Project Pipeline Project Activity In Oil & Gas

OM Rate* 6.9% | Down VPY As The Initial Benefit From Price Realization Was More Than Offset By Inflation & Lower Volume In Higher Margin Auto & Aerospace Fasteners

Cost & Actions Update

Incremental Inflation Headwinds Necessitating Additional Price Actions...

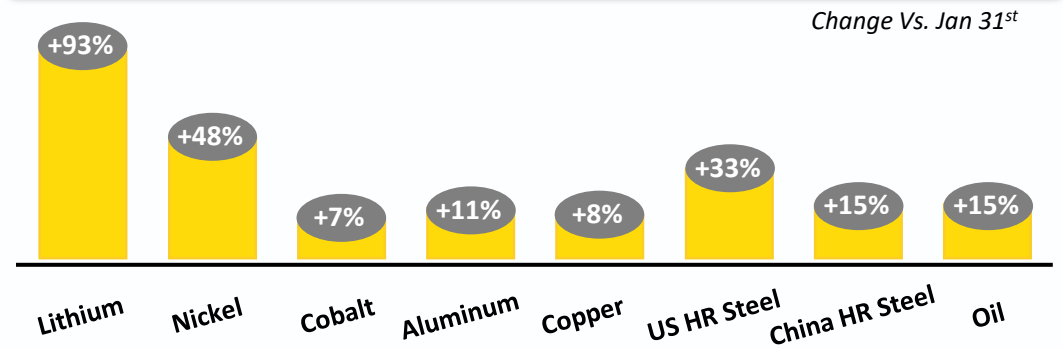
Incremental Commodity & Transport Inflation Emerged In 2Q...



FY'22 Headwinds \$1.4B | +\$0.6B Versus Prior Guidance

...Focused Response And Actions To Latest Headwinds

Key Commodity Spot Price* Changes Since Guidance



Actions To Offset External Headwinds

- Executing Additional Global Price Increases In Response To Incremental Inflation
- Expect Price To Contribute High-Single Digit Growth In 2022
- Productivity Providing Further Support

...Remain Focused On Recovering 100% Of Headwinds & Restoring Normalized Margin Levels In 2023

2022 Guidance

Expect Mid-Twenties Total Revenue Growth Vs. Prior Year And Adjusted EPS Of \$9.50 To \$10.50*...

2022 Updated Outlook		Drivers For Updated Adjusted Diluted EPS*	
Organic Growth & Segments	<u>Tools & Outdoor</u> Organic: Mid-To-High Single Digits Margin: Pressured YoY By Inflation And Acquisition Mix	<u>Industrial</u> Organic: High-Single Digits To Low-Double Digits Margin: Flat To Positive YoY	Jan'22 Guidance (Midpoint) \$12.25
	Mid-Twenties Total Company Revenue Growth		Access Technologies Divestiture (\$0.30)
P&L And Other	<ul style="list-style-type: none"> Diluted EPS: 2022 GAAP EPS \$7.20-\$8.30 2022 Adjusted EPS* \$9.50-\$10.50 Pretax Acquisition-Related & Other Charges: ~\$460M Shares: ~158M Tax Rate: ~8.5% Free Cash Flow: Expected To Approximate \$1.0-\$1.5 Billion Q2 Expected To Approximate ~21% Of FY Adjusted EPS 		Russia Business Closure (\$0.15)
			Midpoint After Portfolio Decisions \$11.80
		Commodity & Transport Inflation (\$3.50)	Pricing Actions, 1Q Performance & Other +\$1.70
		Apr'22 Guidance (Midpoint) \$10.00	

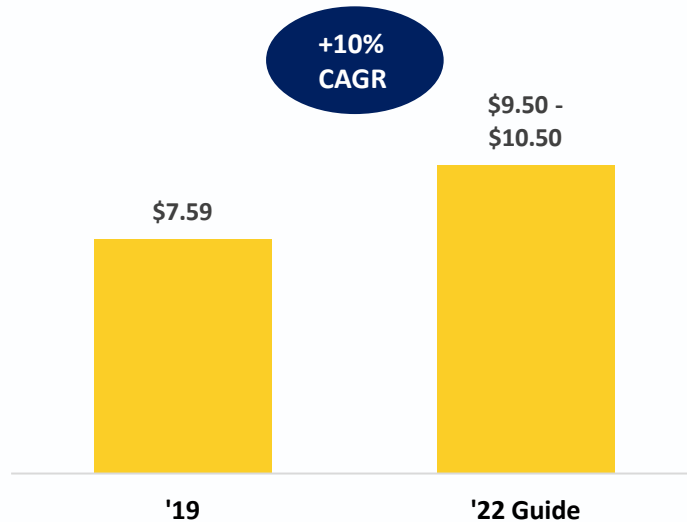
...Free Cash Flow To Approximate \$1.0-\$1.5 Billion

Summary

Strong Demand & Our Multi-Year Runway For Growth & Margin Expansion Is Compelling...

Strong Record Of Performance

Diluted Adjusted EPS*



Successfully Navigating A
Dynamic Environment

Growth + Margin Expansion



INNOVATION



eCOMMERCE



ELECTRIFICATION

MARGIN
RESILIENCY

Driven By Our Vision & Purpose

To Be A Force For Good

- 1** Continue Delivering Top Quartile Long-Term Performance
- 2** Be Recognized As One Of The World's Most Innovative Companies
- 3** Elevate Our Commitment To Corporate Social Responsibility

For Those Who Make The World™

...Performance Driven By Our People & Guided By Our Purpose – For Those Who Make The World

Q&A



StanleyBlack&Decker

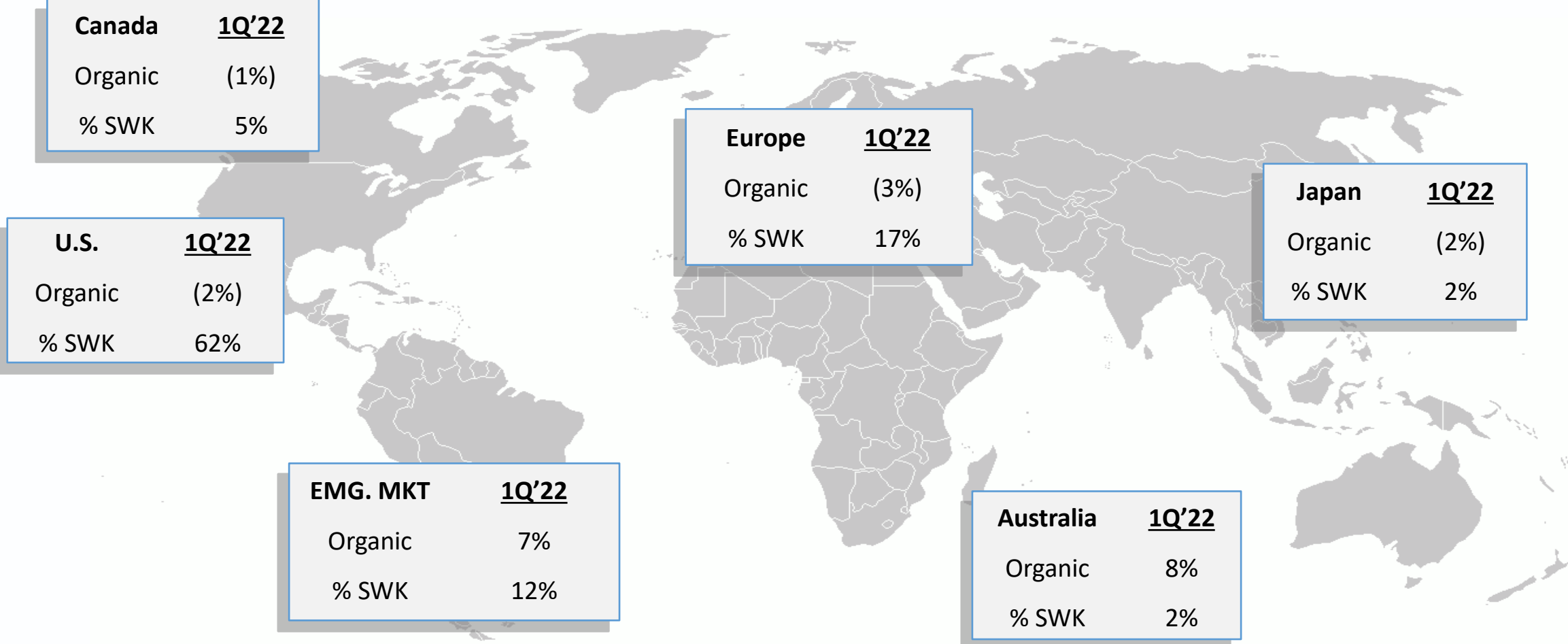
1Q 2022 Free Cash Flow*

Prioritizing Inventory Build For Outdoor Season And Spring Preparation...

	YTD		
	Q1'21	Q1'22	V\$
Net Income	\$ 487	\$ 175	\$ (312)
Deprec / Amort	144	144	-
Working Capital	(720)	(1,336)	(616)
Pre-tax Loss on Sale of Business	1	-	(1)
Other	(70)	(224)	(154)
Operating CF	(158)	(1,241)	(1,083)
CapEx	(88)	(140)	(52)
Free Cash Flow	\$ (246)	\$ (1,381)	\$ (1,135)

...Leveraging SBD Operating Model To Accelerate Cash Generation Through Balance Of Year

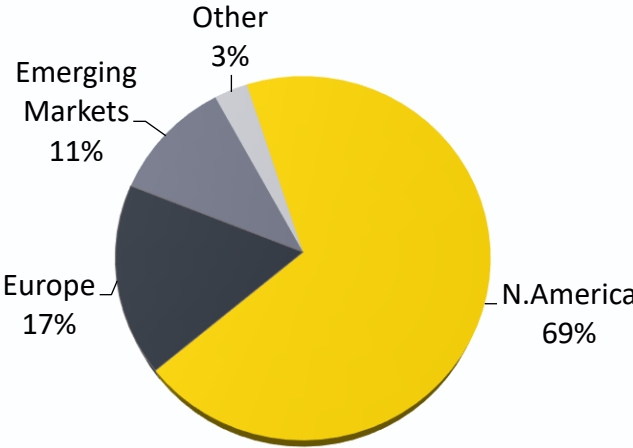
Global Presence



1Q 2022 Regional Revenue Breakout

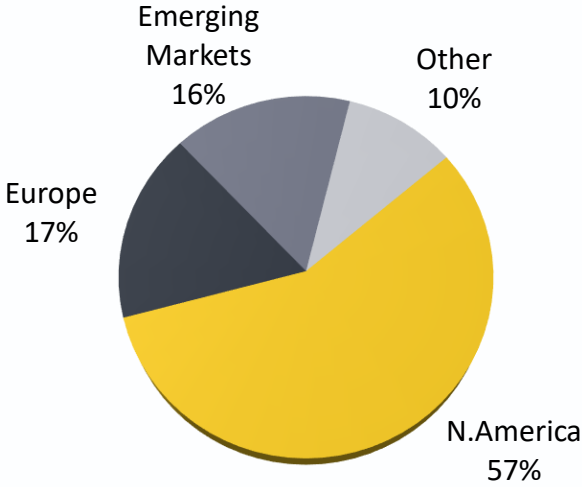
Tools & Outdoor

\$3,801M



Industrial

\$647M



Reconciliation Of GAAP To Non-GAAP Measures

Q4 2021

GAAP Gross Profit	+	Acquisition-Related Charges & Other	=	Non-GAAP Gross Profit
\$1,152.5 28.3%		\$28.2		\$1,180.7 29.0%

GAAP Operating Profit	+	Acquisition-Related Charges & Other	=	Non-GAAP Operating Profit
\$205.7 5.1%		\$160.4		\$366.1 9.0%

Q1 2022

GAAP Gross Profit	+	Acquisition-Related Charges & Other	=	Non-GAAP Gross Profit
\$1,305.4 29.3%		\$88.8		\$1,394.2 31.3%

GAAP Operating Profit	+	Acquisition-Related Charges & Other	=	Non-GAAP Operating Profit
\$345.1 7.8%		\$167.7		\$512.8 11.5%

GAAP Diluted EPS	+	Acquisition-Related Charges & Other	=	Non-GAAP Diluted EPS
\$0.94		\$1.16		\$2.10

Reconciliation Of GAAP To Non-GAAP Segment Profit

	Q1 2021			Q1 2022		
Tools & Outdoor	GAAP Segment Profit	Acquisition-Related Charges & Other	Non-GAAP Segment Profit	GAAP Segment Profit	Acquisition-Related Charges & Other	Non-GAAP Segment Profit
	\$644.7 21.0%	\$4.2	\$648.9 21.2%	\$378.5 10.0%	\$153.7	\$532.2 14.0%
Industrial	GAAP Segment Profit	Acquisition-Related Charges & Other	Non-GAAP Segment Profit	GAAP Segment Profit	Acquisition-Related Charges & Other	Non-GAAP Segment Profit
	\$99.8 15.2%	\$3.6	\$103.4 15.7%	\$41.3 6.4%	\$3.5	\$44.8 6.9%

Reconciliation Of GAAP To Non-GAAP Sales Growth

Segment	GAAP Sales Growth	Acquisitions	Divestitures	Currency	Non-GAAP Organic Sales Growth
Stanley Black & Decker	20%	23%	0%	-2%	-1%
Tools & Outdoor	24%	27%	0%	-2%	-1%
Industrial	-2%	0%	0%	-2%	0%

Non-GAAP Financial Measures



Organic sales growth, or organic growth, is defined as the difference between total current and prior year sales less the impact of companies acquired and divested in the past twelve months and any foreign currency impacts divided by prior year sales. Operating profit is defined as sales less cost of sales and selling, general and administrative expenses. Operating margin is operating profit as a percentage of sales. Operating profit and operating margin are shown both inclusive and exclusive of acquisition-related and other charges. Management uses operating profit and operating margin as key measures to assess the performance of the Company as a whole, as well as the related measures at the segment level. Diluted EPS, excluding charges, or adjusted EPS, is diluted GAAP EPS excluding the impacts of acquisition-related and other charges. 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, and is useful information for investors. Free cash flow does not include deductions for mandatory debt service, other borrowing activity, discretionary dividends on the Company's common and preferred stock and business acquisitions, among other items. Free cash flow conversion is defined as free cash flow divided by net income. The Non-GAAP statement of operations and business segment information is reconciled to GAAP on pages 13 and 14 of the press release. The Company considers the use of the Non-GAAP financial measures above relevant to aid analysis and understanding of the Company's results, business trends and outlook measures aside from the material impact of acquisition-related and other charges and ensures appropriate comparability to operating results of prior periods.