

A Powerful Portfolio Of Iconic Brands



Chris Nelson
President & Chief Executive Officer

“Stanley Black & Decker delivered solid results across our key focus areas in 2025, with continued gross margin and net income growth, strong free cash flow*, a strengthened balance sheet, and strategic investments focused on driving sustainable, profitable growth. Looking ahead, we are excited about the opportunities for Stanley Black & Decker and remain committed to and confident in our ability to achieve our long-term financial objectives, even if 2026 presents another uncertain, dynamic year.”

SOLID OPERATIONAL EXECUTION IN 2025

DELIVERED ACROSS KEY FOCUS AREAS

**4Q'25 Adjusted
Gross Margin***
33.3%
+210 BPS YOY

\$688M
FY'25 FREE CASH FLOW*
SUPPORTED DEBT
REDUCTION OF \$240M &
SHAREHOLDER
DIVIDENDS

GLOBAL COST REDUCTION PROGRAM COMPLETED

\$2.1B
Pre-Tax Run-Rate Savings
Achieved

The Company will continue pursuing annual productivity savings intended to support growth and expand margins.

LONG-TERM FINANCIAL GOALS - EXPECT TO REFLECT IN 2028 FINANCIALS**

ORGANIC REVENUE GROWTH*: **MSD in an LSD market**

ADJ. GROSS MARGIN*: **35% to 37%**

ADJ. EBITDA*: **Mid-to-High Teens % of sales**

FREE CASH FLOW CONVERSION*: **~ 100% +/- 10pts of GAAP NI in any given year**

CFROI*: **Low-to-Mid Teens by 2028; ≥ Mid-Teens beyond 2028**

CREDIT RATING: **Solid Investment Grade**

FULL YEAR 2025

\$15.1B
TOTAL
REVENUE

~\$1.6B
ADJUSTED
EBITDA*

10.8%
ADJUSTED
EBITDA MARGIN*

\$4.67
ADJUSTED
EPS*

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*Non-GAAP financial measure; non-GAAP financial measures should not be considered replacements for, and should be read together with, the most comparable GAAP financial measures. Adjusted Gross Margin excludes certain pre-tax gains and charges. GAAP Gross Margin was 33.2% for 4Q 2025, a 240 basis point improvement VPY. Adjusted EPS is diluted GAAP EPS excluding certain gains and charges. GAAP EPS was \$2.65 for FY 2025. Free cash flow is defined as cash flow from operations less capital and software expenditures. The net cash provided by operating activities for FY 2025 was \$971M. Organic revenue growth is organic revenue divided by prior year sales. EBITDA is earnings before interest, taxes, depreciation and amortization. EBITDA margin is EBITDA as a percentage of sales. Adjusted EBITDA and Adjusted EBITDA Margin excludes certain pre-tax gains and charges. Net earnings from continuing operations was \$402M, or 2.7% as a percent of sales. EBITDA was \$1,248M for FY 2025 and EBITDA Margin was 8.2% for FY 2025. Free cash flow conversion is defined as free cash flow divided by net income. Cash Flow Return On Investment ("CFROI") is computed as cash from operations plus after-tax interest expense, divided by the two-point average of debt and equity. For full financial data and non-GAAP reconciliations, please refer to Stanley Black & Decker's earnings release issued on February 4, 2026, and the appendix of the earnings conference call slides, available at <http://www.stanleyblackanddecker.com/investors>.

**These goals assume the current tariff landscape, low single digit market growth, and inflation around 2% per year.

Concerning Forward-Looking Statements: This document contains "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995 regarding future operating and financial performance. You are cautioned not to rely on these forward-looking statements, which are based on current expectations of future events. For important information about the risks and uncertainties that could cause actual results to vary materially from the assumptions, expectations, and projections expressed in any forward-looking statements, review the "Cautionary Statements" included in the Stanley Black & Decker earnings release issued on February 4, 2026, as well as the most recently filed Stanley Black & Decker Reports on Forms 10-K and 10-Q. Stanley Black & Decker does not undertake any obligation to update or release any revisions to any forward-looking statement as a result of new information or future events or developments.