Stanley Black & Decker Completes Acquisitions Of MTD Holdings And Excel Industries, Creating A Global Leader In Outdoor Products

December 1, 2021

Accretive Acquisitions Strengthen Stanley Black & Decker Portfolio in $25 Billion-Plus Outdoor Power Equipment Industry

NEW BRITAIN, Conn., Dec. 1, 2021 /PRNewswire/ -- Stanley Black & Decker (NYSE: SWK) today announced that it has successfully completed the acquisition of two leading companies in the growing outdoor power equipment industry, including purchasing the remaining 80 percent ownership stake in MTD Holdings Inc (“MTD”) and the acquisition of Excel Industries (“Excel”). These transactions establish Stanley Black & Decker as a U.S. based global leader in outdoor products and complement the Company’s position as the fastest growing provider of cordless electric outdoor power equipment with strong brands such as DEWALT®, CRAFTSMAN® and BLACK+DECKER®.

Stanley Black & Decker's CEO, James M. Loree commented, "The combination of these two high-quality, complementary businesses with our existing outdoor business creates a powerful growth engine with approximately $4 billion in annual revenue across the $25 billion-plus outdoor power equipment industry. These transactions will be accretive to our 2022 earnings and have the potential of further margin expansion as we integrate these great businesses. Combined, this is a platform well positioned for growth and to lead the electrification of outdoor products with a strong portfolio of iconic brands, industry-leading innovation and extensive engineering and manufacturing capabilities. In addition, the acquisitions add deep customer relationships in retail and more than 2,500 independent equipment dealer outlets serving the professional category. We welcome the 8,100 associates from MTD and Excel to Stanley Black & Decker and look forward to a seamless integration process."

The purchase price for the two transactions totaled $1.9 billion inclusive of standard purchase price adjustments.

Inspiring people to care for and enjoy the outdoors, MTD is known for innovative and award-winning lawn mowers, snow blowers, trimmers, and outdoor power equipment for both residential and commercial markets. The company was founded in 1932 and is headquartered in Valley City, Ohio. The MTD family of brands includes Cub Cadet®, Troy-Bilt®, Robomow®, Rover®, and WOLF-Garten® – all backed by a strong network of MTD support focused on uncompromising quality, service and value through advanced manufacturing. MTD brands and products can be found in leading mass retailers and independent retail channels, including home improvement and hardware stores, independent dealers, and farm supply stores. MTD has state-of-the-art manufacturing facilities in North America and Europe, and a global distribution network.

Founded and based in Hesston, Kansas, Excel is a leading designer and manufacturer of premium commercial and residential turf equipment under the distinct brands of Hustler Turf Equipment (Hustler) and BigDog Mower Co. (BigDog). In 1964, Excel introduced The Hustler, creating an entirely new product category now known as the zero-turn mower. Excel serves 1,400 active independent equipment dealer outlets that stock, sell and service Hustler and BigDog products in the United States and Canada.

EPS Outlook

For 2022, the Company continues to expect these acquisitions to contribute approximately $0.50 of EPS accretion. Stanley Black & Decker is incorporating $0.20 - $0.30 of deal related charges into its full-year 2021 GAAP earnings per share guidance as referenced in our October 28, 2021 earnings release and in an 8K filed on November 12, 2021. Accordingly, the Company is updating GAAP guidance to $9.70 - $10.05 (From $10.00 - $10.25). There is no change to the full-year 2021 non-GAAP adjusted EPS guidance range of $10.70 - $10.90.

About Stanley Black & Decker

Headquartered in New Britain, Connecticut, Stanley Black & Decker, an S&P 500 company, is a leading $14.5 billion global diversified industrial with 56,000 employees in more than 60 countries who make the tools, products and solutions to deliver on its Purpose, For Those Who Make The World. The Company operates the world’s largest tools and storage business featuring iconic brands such as DEWALT®, STANLEY®, BLACK+DECKER® and CRAFTSMAN®, the world’s second largest commercial electronic security company; and is a global industrial leader of highly engineered solutions within its engineered fastening and infrastructure businesses. Learn more at www.stanleyblackanddecker.com.

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Cautionary Note Regarding Forward-Looking Statements

Stanley Black & Decker makes forward-looking statements in this press release which represent its expectations or beliefs about future events and financial performance. Forward-looking statements are identifiable by words such as “believe,” “anticipate,” “expect,” “intend,” “plan,” “will,” “may” and other similar expressions. In addition, any statements that refer to expectations, projections or other characterizations of future events or circumstances are forward-looking statements. Forward looking statements made in this press release, include, but are not limited to, statements concerning: certain forward-looking guidance of earnings per share and projections of the anticipated impact of these acquisitions; MTD and Excel's business complementing and expanding Stanley Black & Decker's existing operations; cost and revenue synergies; growth and margin expansion opportunities; anticipated accretion, return on capital and one-time acquisition-related charges; and operational efficiencies.

You are cautioned not to place undue reliance on these forward-looking statements. These forward-looking statements are not guarantees of future events and involve known and unknown risks, uncertainties and other factors that may cause actual results and performance to be materially different from any future results or performance expressed or implied by such forward-looking statements, including, but not limited to: failure to successfully integrate MTD and Excel and achieve expected cost and revenue synergies; failure to achieve expected growth, margin expansion, accretion or return on capital; or the acquisition-related charges being greater than anticipated.

Forward-looking statements made herein are also subject to risks and uncertainties, described in: Stanley Black & Decker's 2020 Annual Report on Form 10-K, its subsequently filed Quarterly Reports on Form 10-Q; and other filings Stanley Black & Decker makes with the Securities and Exchange Commission. In addition, actual results could differ materially from those suggested by the forward-looking statements. Stanley Black & Decker makes no commitment to revise or update any forward-looking statements to reflect events or circumstances occurring or existing after the date of any forward-looking statement.

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