

BLACK & DECKER CORP
Form 425
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Subject Company: The Black & Decker Corporation
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Website FAQ

1.

Why does this transaction make sense for both companies?

Combining Stanley and Black & Decker creates a stronger, globally diversified company with a broad array of products and services. The combination will enhance both companies' core strengths and provide increased resources to invest in growth opportunities. Shareholders of both companies will share in the upside potential of the combined company, including approximately \$350 million in expected annual cost synergies, fully realized within three years.
2.

What is the implied premium to Black & Decker shareholders?

The implied premium is 22.1% to Black & Decker's share price as of Friday, October 30, 2009.
3.

When will this transaction be accretive to EPS and by how much?

The combination is expected to result in earnings per share (EPS) accretion of approximately \$1.00 by the third year after closing.
4.

What is the size and sources of the planned cost synergies? When will they be achieved?

The combination is expected to generate approximately \$350 million in annual cost synergies, fully realized within three years, primarily resulting from reductions in corporate overhead, business unit and regional consolidation, and greater efficiencies in manufacturing, distribution and purchasing.
5.

When do you expect the transaction to close?

The transaction is expected to close in the first half of 2010.
6.

What will the new company be called?

The combined company will be named Stanley Black & Decker.
7.

Where will the corporate headquarters be located?

The headquarters of the combined company will be in New Britain, CT and the Power Tools headquarters will remain in Towson, MD
8.

Who will compose the management team and board of directors?

John F. Lundgren, Chairman and Chief Executive Officer of Stanley, will be President and Chief Executive Officer of the combined company. Nolan D. Archibald, Chairman, President, and Chief Executive Officer of Black & Decker, who has been CEO for 24 years, will be Executive Chairman of the combined company for three years. James M. Loree, Executive Vice President and Chief Operating Officer of Stanley, will be EVP & COO of the combined company. Stanley Vice President and Chief Financial Officer Donald Allan, Jr. will be Senior Vice

President and Chief Financial Officer of the combined company.

The nine members of the current Stanley Board of Directors will be joined by six new members from Black & Decker's Board of Directors.

9. What will be the combined company's dividend distribution policy?

With its strong expected cash flows and long history of paying consecutive dividends, the new company intends to maintain Stanley's current dividend policy and is committed to continued dividend growth.

10. What does this combination mean for employees of Stanley and Black & Decker?

We expect the vast majority of Stanley and Black & Decker employees to benefit from the increased opportunities available as part of a stronger, globally diversified company.

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CAUTIONARY STATEMENTS

Under the Private Securities Litigation Reform Act of 1995

Statements in this document that are not historical, including but not limited to those regarding the consummation of the proposed transaction between Stanley and Black & Decker and the realization of synergies in connection therewith, are "forward looking statements" and, as such, are subject to risk and uncertainty.

Stanley's and Black & Decker's ability to deliver the results as described above is based on current expectations and involves inherent risks and uncertainties, including factors listed below and other factors that could delay, divert, or change any of them, and could cause actual outcomes and results to differ materially from current expectations. In addition to the risks, uncertainties and other factors discussed in this document, the risks, uncertainties and other factors that could cause or contribute to actual results differing materially from those expressed or implied in the forward looking statements include, without limitation, those set forth in the "Risk Factors" section, the "Legal Proceedings" section, the "Management's Discussion and Analysis of Financial Condition and Results of Operations" section and other sections of Stanley's and Black & Decker's Annual Reports on Form 10-K and any material changes thereto set forth in any subsequent Quarterly Reports on Form 10-Q, those contained in Stanley's and Black & Decker's other filings with the Securities and Exchange Commission, and those set forth below.

These factors include but are not limited to the risk that regulatory and stockholder approvals of the transaction are not obtained on the proposed terms and schedule; the future business operations of Stanley or Black & Decker will not be successful; the risk that the proposed transaction between Stanley and Black & Decker will not be consummated; the risk that Stanley and Black & Decker will not realize any or all of the anticipated benefits from the transaction; the risk that cost synergy, customer retention and revenue expansion goals for the transaction will not be met and that disruptions from the transaction will harm relationships with customers, employees and suppliers; the risk that unexpected costs will be incurred; the outcome of litigation (including with respect to the transaction) and regulatory proceedings to which Stanley or Black & Decker may be a party; pricing pressure and other changes within competitive markets; the continued consolidation of customers particularly in consumer channels; inventory management pressures on Stanley's and Black & Decker's customers; the impact the tightened credit markets may have on Stanley or Black & Decker or customers or suppliers; the extent to which Stanley or Black & Decker has to write off accounts receivable or assets or experiences supply chain disruptions in connection with bankruptcy filings by customers or suppliers; increasing competition; changes in laws, regulations and policies that affect Stanley or Black & Decker, including but not limited to trade, monetary, tax and fiscal policies and laws; the timing and extent of any inflation or deflation in 2009 and beyond; currency exchange fluctuations; the impact of dollar/foreign currency

exchange and interest rates on the competitiveness of products and Stanley's and Black & Decker's debt programs; the strength of the U.S. and European economies; the extent to which world-wide markets associated with homebuilding and remodeling continue to deteriorate; the impact of events that cause or may cause disruption in Stanley's or Black & Decker's manufacturing, distribution and sales networks such as war, terrorist activities, and political unrest; and recessionary or expansive trends in the economies of the world in which Stanley or Black & Decker operates, including but not limited to the extent and duration of the current recession in the US economy.

Neither Stanley nor Black & Decker undertake any obligation to publicly update or revise any forward-looking statements to reflect events or circumstances that may arise after the date hereof.

Additional Information

The proposed transaction involving Stanley and Black & Decker will be submitted to the respective stockholders of Stanley and Black & Decker for their consideration. In connection with the proposed transaction, Stanley will file with the Securities and Exchange Commission (the "SEC") a registration statement on Form S-4 that will include a joint proxy statement of Stanley and Black & Decker that will also constitute a prospectus of Stanley. Investors and security holders are urged to read the joint proxy statement/prospectus and any other relevant documents filed with the SEC when they become available, because they will contain important information. Investors and security holders may obtain a free copy of the joint proxy statement/prospectus and other documents (when available) that Stanley and Black & Decker file with the SEC at the SEC's website at www.sec.gov and Stanley's website related to the transaction at www.stanleyblackanddecker.com. In addition, these documents may be obtained from Stanley or Black & Decker free of charge by directing a request to Investor Relations, The Stanley Works, 1000 Stanley Drive, New Britain, CT 06053, or to Investor Relations, The Black & Decker Corporation, 701 E. Joppa Road, Towson, Maryland 21286, respectively.

Certain Information Regarding Participants

Stanley, Black & Decker and certain of their respective directors and executive officers may be deemed to be participants in the proposed transaction under the rules of the SEC. Investors and security holders may obtain information regarding the names, affiliations and interests of Stanley's directors and executive officers in Stanley's Annual Report on Form 10-K for the year ended January 3, 2009, which was filed with the SEC on February 26, 2009, and its proxy statement for its 2009 Annual Meeting, which was filed with the SEC on March 20, 2009. Investors and security holders may obtain information regarding the names, affiliations and interests of Black & Decker's directors and executive officers in Black & Decker's Annual Report on Form 10-K for the year ended December 31, 2008, which was filed with the SEC on February 17, 2009, and its proxy statement for its 2009 Annual Meeting, which was filed with the SEC on March 16, 2009. These documents can be obtained free of charge from the sources listed above. Additional information regarding the interests of these individuals will also be included in the joint proxy statement/prospectus regarding the proposed transaction when it becomes available.

Non-Solicitation

A registration statement relating to the securities to be issued by Stanley in the proposed transaction will be filed with the SEC, and Stanley will not issue, sell or accept offers to buy such securities prior to the time such registration statement becomes effective. This document shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of such securities, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to appropriate registration or qualification under the securities laws of such jurisdiction.