SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

X QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For quarterly period ended April 1, 2000

Commission File Number 1-7724

SNAP-ON INCORPORATED
(Exact name of registrant as specified in its charter)

Delaware	39-0622040
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

10801 Corporate Drive, Pleasant Prairie, Wisconsin	53158-1603
(Address of principal executive offices)	(zip code)

Registrant's telephone number, including area code: (262) 656-5200

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No [ ]

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date:

Class	Outstanding at April 29, 2000
Common stock, $1 par value	58,569,234 shares

SNAP-ON INCORPORATED

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PART I. FINANCIAL INFORMATION

SNAP-ON INCORPORATED
CONSOLIDATED STATEMENTS OF EARNINGS
(Amounts in thousands except per share data)
(Unaudited)

	Thirteen Weeks Ended	
	April 1, 2000	April 3, 1999
Net sales	$ 544,345	$ 452,585
Cost of goods sold	(295,900)	(233,684)
Operating expenses	(197,234)	(182,229)
Net finance income	11,671	20,992
Restructuring and other non-recurring charges	(353)	(1,933)
Interest expense	(10,325)	(4,681)
Other income (expense) - net	1,083	(833)
Earnings before income taxes	53,287	50,217
Income taxes	19,443	17,976
Net earnings	$ 33,844	$ 32,241
Earnings per weighted average common share - basic	$ .58	$ .55
Earnings per weighted average common share - diluted	$ .58	$ .55
Weighted average common shares outstanding - basic	58,557	58,569
Effect of dilutive options	176	389
Weighted average common shares outstanding - diluted	58,733	58,958
Dividends declared per common share	$ .23	$ .22

The accompanying Notes are an integral part of these statements.

SNAP-ON INCORPORATED
CONSOLIDATED BALANCE SHEETS
(Amounts in thousands except share data)

	(Unaudited) April 1, 2000	January 1, 2000
ASSETS		
Current assets		
Cash and cash equivalents	$ 14,897	$ 17,617
Accounts receivable, less allowances	641,348	617,645
Inventories		
Finished stock	417,831	418,490
Work in process	47,348	47,869
Raw materials	85,086	81,856
Excess of current cost over LIFO cost	(92,520)	(93,374)
Total inventory	457,745	454,841
Prepaid expenses and other assets	111,977	116,238
Total current assets	1,225,967	1,206,341
Property and equipment		
Land	28,417	26,753
Buildings and improvements	203,272	207,959
Machinery and equipment	457,344	454,089
	689,033	688,801
Accumulated depreciation	(335,087)	(326,203)
Total property and equipment	353,946	362,598
Deferred income tax benefits	55,685	54,652
Intangibles	453,598	453,293
Other assets	79,767	72,938
Total assets	$2,168,963	$2,149,822

The accompanying Notes are an integral part of these statements.

SNAP-ON INCORPORATED
CONSOLIDATED BALANCE SHEETS
(Amounts in thousands except share data)

	(Unaudited) April 1, 2000	January 1, 2000
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable	$ 127,245	$ 146,422
Notes payable and current maturities of long-term debt	29,010	22,349
Accrued compensation	46,004	57,540
Dealer deposits	44,566	48,251

Deferred subscription revenue	42,636	42,056
Accrued restructuring reserves	1,267	4,500
Other accrued liabilities	156,118	131,631
Total current liabilities	446,846	452,749
Long-term debt	622,188	607,476
Deferred income taxes	28,714	26,989
Retiree health care benefits	92,095	91,391
Pension liability	94,477	96,238
Other long-term liabilities	41,423	49,718
Total liabilities	1,325,743	1,324,561
SHAREHOLDERS' EQUITY		
Preferred stock - authorized 15,000,000 shares of $1 par value; none outstanding	-	-
Common stock - authorized 250,000,000 shares of $1 par value; issued - 66,746,585 shares and 66,729,457 shares	66,747	66,729
Additional paid-in capital	60,182	62,292
Retained earnings	978,139	957,763
Accumulated other comprehensive income (loss)	(38,702)	(35,814)
Grantor stock trust at fair market value - 6,675,194 and 6,677,450 shares	(174,810)	(177,373)
Treasury stock at cost - 1,505,339 and 1,505,339 shares	(48,336)	(48,336)
Total shareholders' equity	843,220	825,261
Total liabilities and shareholders' equity	$2,168,963	$2,149,822

The accompanying Notes are an integral part of these statements.

SNAP-ON INCORPORATED
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Amounts in thousands)
(Unaudited)

	Thirteen Weeks Ended	
	April 1, 2000	April 3, 1999
OPERATING ACTIVITIES		
Net earnings	$ 33,844	$ 32,241
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation	13,039	10,240
Amortization	4,436	2,271
Deferred income taxes	2,402	2,577
Loss on sale of assets	6	6
Charges due to restructuring and other non-recurring charges, net of tax	217	1,135
Changes in operating assets and liabilities:		
(Increase) decrease in receivables	(26,308)	49,298
(Increase) in inventories	(5,877)	(9,426)
(Increase) decrease in prepaid and other assets	(13,043)	12,137
Increase (decrease) in accounts payable	(17,418)	11,077
Increase in accruals and other liabilities	2,911	16,806
Net cash provided by (used in) operating activities	(5,791)	128,362

INVESTING ACTIVITIES		
Capital expenditures	(9,562)	(8,907)
Acquisitions of businesses	(1,114)	(47,277)
Disposal of property and equipment	1,542	751
Net cash used in investing activities	(9,134)	(55,433)
FINANCING ACTIVITIES		
Payment of long-term debt	-	(335)
Increase in long-term debt	3,203	-
Increase (decrease) in short-term borrowings-net	22,039	(43,368)
Purchase of treasury stock	-	(14,714)
Proceeds from stock plans	470	1,572
Cash dividends paid	(13,468)	(12,927)
Net cash provided by (used in) financing activities	12,244	(69,772)
Effect of exchange rate changes	(39)	1,040
Increase (decrease) in cash and cash equivalents	(2,720)	4,197
Cash and cash equivalents at beginning of period	17,617	15,041
Cash and cash equivalents at end of period	$ 14,897	$ 19,238

The accompanying Notes are an integral part of these statements.

SNAP-ON INCORPORATED

NOTES TO CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS

1. This report should be read in conjunction with the consolidated financial statements and related notes included in Snap-on Incorporated's Annual Report for the year ended January 1, 2000.

   In the opinion of management, all adjustments (consisting only of normal recurring adjustments and adjustments related to restructuring and other non-recurring charges) necessary to a fair statement of financial condition and results of operations for the thirteen weeks ended April 1, 2000 have been made. Management also believes that the results of operations for the thirteen weeks ended April 1, 2000 are not necessarily indicative of the results to be expected for the full year. Certain prior-year amounts have been reclassified to conform with current-year presentation.

2. On September 30, 1999, Snap-on Incorporated ("the Corporation") acquired the Sandvik Saws and Tools business, formerly a wholly owned operating unit of Sandvik AB. The Sandvik Saws and Tools business now operates as the Bahco Group AB ("Bahco"). Bahco is a manufacturer and supplier of professional tool products.

   The acquisition is being accounted for as a purchase and the results of Bahco have been included in the accompanying consolidated financial statements since the date of the acquisition. A preliminary goodwill allocation in accordance with the criteria established under Accounting Principles Board ("APB") Opinion No. 16, "Business Combinations" has been performed. The cost of the acquisition has been allocated on the basis of the fair market value of the assets acquired and the liabilities assumed. This preliminary allocation results in goodwill of $215 million being recorded. The purchase price allocation will be finalized during 2000 upon completion of asset valuations and any post-closing purchase price adjustments.

   The following unaudited pro forma summary gives effect to the acquisition of Bahco as if the acquisition had occurred on January 1, 1998, after giving effect to certain adjustments for depreciation, amortization, interest expense and income taxes associated with the purchase method of accounting as performed at the time of the acquisition. The unaudited pro forma summary is based on historical financial data and on assumptions and adjustments that may be inherently subject to significant uncertainty and contingencies. It can be expected that some or all of the assumptions on which the following unaudited pro forma summary is based will prove to be inaccurate. As a result, the unaudited pro forma summary does not purport to represent what the Corporation's results of operations would have been if the acquisition of Bahco had occurred on January 1, 1998, and is not intended to project the Company's results of operations for any future period. The final purchase price allocation, when completed in 2000, will result in changes to the amount of recorded assets and goodwill included in the pro forma amounts.

(Amounts in thousands except per share data)	Thirteen Weeks Ended April 3, 1999
Net sales:	
As reported	$ 452,585
Pro forma (unaudited)	532,270
Net earnings:	
As reported	$ 32,241
Pro forma (unaudited)	33,352
Earnings per share - basic:	
As reported	$ .55
Pro forma (unaudited)	.57
Earnings per share - diluted:	
As reported	$ .55
Pro forma (unaudited)	.57

3. Income tax paid for the thirteen weeks ended April 1, 2000 and April 3, 1999 was $1.6 million and $1.0 million. Interest paid for the thirteen weeks ended April 1, 2000 and April 3, 1999 was $8.7 million and $6.3 million.

4. In the third quarter of 1998, the Corporation's board of directors approved Project Simplify, a broad program of internal rationalizations, consolidations and reorganizations to make the Corporation's business operations simpler and more effective. Project Simplify was essentially completed and fully provided for at 1999 year end. The initiative's savings goal, which was achieved, was to reduce costs by approximately $60 million, with one-half of the savings realized in 1999.

   The Corporation achieved its original targets of closing 60 facilities, eliminating 1,100 positions and discontinuing more than 12,000 stock keeping units ("SKUs") of inventory, along with the consolidation of certain business units. Total charges for Project Simplify, which were composed of restructuring charges and other non-recurring charges, amounted to $187.4 million. This amount consists of $67.1 million of restructuring charges and $120.3 million of other non-recurring charges.

   As of January 1, 2000, the Corporation had a remaining restructuring reserve of $4.5 million for severance and other exit costs including non-cancelable lease agreements on facilities to be closed relating to Project Simplify. Severance costs provided for worldwide salaried and hourly employees relate to facility closures, elimination of staffing redundancies and operational streamlining. During the first quarter of 2000, $3.2 million in cash payments relating to severance and other exit costs were made leaving a balance of $1.3 million. The remaining balance will be spent during the second quarter of 2000.

In the first quarter of 2000, the Corporation recorded an incremental $0.3 million in pre-tax non-recurring charges relating to relocation costs compared to $1.9 million in the first quarter of 1999 comprised of employee incentives ($.2 million), relocation costs ($.5 million) and professional services ($1.2 million).

5. Earnings per share calculations were computed by dividing net earnings by the corresponding weighted average number of common shares outstanding for the period. The dilutive effect of the potential exercise of outstanding options to purchase shares of common stock is calculated using the treasury stock method.

6. In June 1999, the Financial Accounting Standards Board ("FASB") issued SFAS No. 137, "Accounting for Derivative Instruments and Hedging Activities - Deferral of the Effective Date of FASB Statement No. 133." SFAS No. 137 defers the effective date of SFAS No. 133 for one year to fiscal years beginning after June 15, 2000. SFAS No. 133 establishes accounting and reporting standards for derivative instruments and for hedging activities. The Corporation is currently evaluating the impact of this pronouncement.

   In December 1999, the Securities and Exchange Commission ("SEC") issued Staff Accounting Bulletin 101 ("SAB 101"), "Revenue Recognition in Financial Statements", which provides guidance on applying generally accepted accounting principles for recognizing revenue. In March 2000, the SEC issued SAB 101A which defers the effective date to the second quarter of 2000 for companies with fiscal year ends between December 16, 1999 and March 15, 2000. The Corporation is currently evaluating the impact, if any, of adopting this pronouncement.

7. Total comprehensive income, consisting of net earnings and foreign currency translation adjustments, for the thirteen week periods ended April 1, 2000 and April 3, 1999, was as follows:

(Amounts in thousands)	April 1, 2000	April 3, 1999
Net earnings	$ 33,844	$ 32,241
Foreign currency translation	(2,888)	(6,706)
Total comprehensive income	$ 30,956	$ 25,535

8. The Corporation uses derivative instruments to manage well-defined interest rate and foreign currency exposures. The Corporation does not use derivative instruments for trading purposes. The criteria used to determine if hedge accounting treatment is appropriate are (i) the designation of the hedge to an underlying exposure, (ii) whether or not overall risk is being reduced and (iii) if there is a correlation between the value of the derivative instrument and the underlying obligation.

   Interest Rate Derivative Instruments: The Corporation enters into interest rate swap agreements to manage interest costs and risks associated with changing interest rates. The differentials paid or received on interest rate agreements are accrued and recognized as adjustments to interest expense. Gains and/or losses realized upon settlement of these agreements are deferred and amortized to interest expense over a period relevant to the agreement if the underlying hedged instrument remains outstanding, or immediately if the underlying hedged instrument is settled.

Foreign Currency Derivative Instruments:

The Corporation has operations in a number of countries and has intercompany transactions among them and, as a result, is exposed to changes in foreign currency exchange rates. The Corporation manages most of these exposures on a consolidated basis, which allows netting certain exposures to take advantage of any natural offsets. To the extent the net exposures are hedged, forward contracts are used. Gains and/or losses on these foreign currency hedges are included in income in the period in which the exchange rates change. Gains and/or losses have not been material to the consolidated financial statements.

9. In April 1996, the Corporation filed a complaint against SPX Corporation alleging infringement of the Corporation's patents and asserting claims relating to SPX's hiring of the former president of Sun Electric. SPX filed a counterclaim, alleging infringement of certain SPX patents. Upon the Corporation's request for reexamination, the U.S. Patent and Trademark Office initially rejected SPX's patents as invalid, but recently reconfirmed them. Neither the complaint nor the counterclaim contains specific allegations of damages; however, the parties' claims could involve multiple millions of dollars. It is not possible at this time to assess the outcome of any of the claims.

The Corporation is involved in other various legal matters, which are being defended and handled in the ordinary course of business. Although it is not possible to predict the outcome of these matters, management believes that the results will not have a material impact on the Corporation's financial statements.

10. The Corporation created a Grantor Stock Trust ("GST") in 1998 that was subsequently amended. In connection with the formation of the GST, the Corporation sold 7.1 million shares of treasury stock to the GST. The sale of these shares had no net impact on shareholders' equity or the Corporation's Consolidated Statements of Earnings. The GST is a funding mechanism for certain benefit programs and compensation arrangements, including the incentive stock program and employee and franchised dealer stock purchase plans. The Northern Trust Company, as trustee of the GST, will vote the common stock held by the GST based on the terms set forth in the GST Agreement as amended. The GST is recorded as Grantor Stock Trust at Fair Market Value on the accompanying Consolidated Balance Sheets. Shares owned by the GST are accounted for as a reduction to shareholders' equity until used in connection with employee benefits. Each period, the shares owned by the GST are valued at the closing market price, with corresponding changes in the GST balance reflected in additional paid-in capital.

11. The Corporation's segments are based on the organization structure that is used by management for making operating and investment decisions and for assessing performance. Based on this management approach, the Corporation has two reportable segments: Global Transportation and Global Operations. The Global Transportation segment consists of the Corporation's business operations serving the dealer van channel worldwide. The Global Operations segment consists of the business operations serving the direct sales and distributor channels worldwide. These two segments derive revenues primarily from the sale of tools and equipment.

The Corporation evaluates the performance of its operating segments based on segment net sales and earnings. The Corporation accounts for intersegment sales and transfers based primarily on standard costs established between the segments. The Corporation allocates shared service expenses to those segments that utilize the services based on their percentage of revenues from external sources. Restructuring and other non-recurring charges are not allocated to the reportable segments.

Financial data by segment for the Thirteen weeks ended: (Amounts in thousands)	April 1, 2000	April 3, 1999
Net sales from external customers:		
Global Transportation	$ 264,273	$ 257,494
Global Operations	280,072	195,091
Total from reportable segments	$ 544,345	$ 452,585
Intersegment sales:		
Global Transportation	$ 6	$ 5
Global Operations	90,710	109,801
Total from reportable segments	90,716	109,806
Elimination of intersegment sales	(90,716)	(109,806)
Total consolidated intersegment sales	$ -	$ -
Earnings:		
Global Transportation	$ 32,762	$ 24,895
Global Operations	18,449	11,777
Total from reportable segments	51,211	36,672
Net finance income	11,671	20,992
Restructuring and other non-recurring charges	(353)	(1,933)
Interest expense	(10,325)	(4,681)
Other income (expense) - net	1,083	(833)
Total consolidated earnings before taxes	$ 53,287	$ 50,217

Financial data by segment as of: (Amounts in thousands)	April 1, 2000	January 1, 2000
Total assets:		
Global Transportation	$ 790,915	$ 789,201
Global Operations	1,308,348	1,308,365
Total from reportable segments	2,099,263	2,097,566
Financial Services	103,670	97,267
Elimination of intersegment receivables	(33,970)	(45,011)
Total consolidated assets	$2,168,963	$2,149,822

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

RESULTS OF OPERATIONS

Overview: The Corporation posted record results for first quarter 2000 net sales, net earnings and earnings per share. First quarter 2000 net sales increased 20.3% to $544.3 million, compared with $452.6 million in the first quarter of 1999. The increase in sales was driven by solid gains in dealer sales and the contribution from Bahco Group AB (formerly Sandvik Saws and Tools) acquired on Sept. 30, 1999. Excluding a 17% contribution from Bahco and a negative 2% impact from currency translations, organic growth was 5% in the quarter. Continued strength in dealer sales in North America (up 6% excluding the sales of emissions-testing equipment), improving dealer sales in Japan/Asia-Pacific and Europe, and incremental sales to new-car dealerships under management facilitation agreements were partially offset by lower Industrial sales to the depressed aerospace sector and difficult comparisons with emissions-testing equipment sales in 1999.

First quarter 2000 reported net earnings increased to $33.8 million from $32.2 million in 1999. First quarter 2000 diluted earnings per share increased to $0.58 from $0.55 in 1999.

Net earnings for the first quarter of 1999, excluding non-recurring charges related to Project Simplify of $1.2 million ($.02 per share after tax), were $33.4 million. Excluding non-recurring charges in 1999, diluted earnings per share improved to $0.58 in the first quarter of 2000 from $0.57 in the same quarter a year ago.

The Corporation's simplification initiative, Project Simplify, which began in the third quarter of 1998 and was essentially completed and fully provided for as of January 1, 2000, was a broad program of internal rationalizations, consolidations and reorganizations intended to make the Corporation's business operations simpler and more effective. The initiative's savings goal was to reduce costs by approximately $60 million, with one-half of the savings realized in 1999. During the first quarter of 2000, there was an incremental $0.3 million pre-tax in non-recurring charges compared to $1.9 million pre-tax (or $.02 per share) in the first quarter of 1999 taken primarily for costs related to reductions of personnel and facilities consolidation.

Segment Results: Global Transportation sales consisting of the Corporation's business operations serving the dealer van channel worldwide for the first quarter of 2000 were $264.3 million, an increase of 2.6% over first quarter 1999 sales of $257.5 million. Global Transportation sales were driven by strong dealer activity in North America, up 6% in the first quarter of 2000 compared with the comparable period in 1999, excluding emissions-testing equipment. Strong dealer sales in North America and Japan were partially offset by currency-impacted sales declines in Europe. In local currencies, European dealer sales were up 4%, and Japan and Australia were up 13%. Earnings increased year-over-year to $32.8 million for the first quarter of 2000 from $24.9 million in the prior year period, benefiting from the sales growth and the savings generated from Simplify activities.

Global Operations sales consisting of the Corporation's business operations serving the direct sales and distributor channels worldwide for the first quarter of 2000 were $280.1 million, an increase of 43.6% over first quarter 1999 sales of $195.1 million. The increase in Global Operations sales resulted from incremental sales to new-car dealerships, under management facilitation agreements with car manufacturers, and the addition of Bahco, partially offset by a negative impact from European

currency translation. Excluding Bahco and the currency translation impact, Global Operations sales were up 9%. Earnings grew year-over-year to $18.4 million for the first quarter of 2000 from $11.8 million in the prior year period, benefiting from organic growth, the addition of Bahco, and improvement in operating profitability in Europe, partially offset by a decline in the Industrial sales business.

Gross margins were 45.6% for the first quarter of 2000 compared to 48.4% in the comparable prior year period. During the first quarter, the continued benefits of Project Simplify activities, particularly in Europe, and improved productivity were more than offset by a business mix shift. The consolidation of Bahco caused a 170 basis point negative shift in gross margin. This is primarily because Bahco sells its products through distributors. As a consequence, Bahco's gross margin and operating expense as a percent of sales are substantially lower than the Corporation's previous business mix. The incremental growth of the OEM business (sales to new-car dealerships under facilitation agreements for corporate-approved purchasing of equipment and other items, such as the Ford Rotunda program) reduced the gross margin by a further 180 basis points. The gross margin on the core business improved 70 basis points due to the savings being delivered by Project Simplify and other productivity enhancing actions.

Operating expense as a percentage of sales declined 410 basis points in the quarter reflecting the incremental savings of Project Simplify actions, and the lower operating expense ratio due to the addition of Bahco and the growth in the OEM business. The addition of Bahco lowered the ratio by 150 basis points, and the incremental growth in the OEM business lowered it another 140 basis points. The additional 120 basis point improvement results from the favorable operating leverage and savings from Project Simplify initiatives.

Net finance income in the first quarter of 2000 was $11.7 million, a decline as expected, from $21.0 million in 1999. The decline was the result of the establishment of the financial services joint venture with Newcourt Financial USA Inc. during the first quarter of 1999 to leverage the infrastructure and new product development capabilities of a strong financial products partner and enhance economic profit. As the Corporation made its transition to an "origination fee" business model from what had essentially been an "interest-rate-spread" business, the domestic credit receivables portfolio was sold and generated incremental gains. During the first quarter 2000, origination of extended credit receivables grew at a high single-digit rate. Originations also benefited from the addition of new financing products.

Interest expense for the first quarter of 2000 was $10.3 million, up from the $4.7 million in the first quarter of 1999. The increase was due to the additional debt associated with the Bahco acquisition for $380 million, which closed September 30, 1999.

Other income (expense)-net for the first quarter of 2000 was $1.1 million. This line item includes the impact of all non-operating items, such as interest income, adjustment for minority interests, disposal of fixed assets, foreign exchange transaction gains and losses, and other non-significant miscellaneous items.

The effective tax rate on operations was 36.5% in the first quarter of 2000, and 36.0% in the comparable period of 1999, with the increase in 2000 due to the additional goodwill amortization associated with the Bahco acquisition.

FINANCIAL CONDITION

Liquidity: Cash and cash equivalents were $14.9 million at the end of the first quarter from $17.6 million at the end of 1999. Working capital increased to $779.1 million at first quarter end, from $753.6 million at the end of 1999.

The Corporation has on file a shelf registration that allows the Corporation to issue from time to time up to $300.0 million of unsecured indebtedness. Of this amount, $100.0 million aggregate principal amount of its notes has been issued to the public. The notes require payment of interest on a semiannual basis at a rate of 6.625% and mature in their entirety on October 1, 2005.

The Corporation believes it has sufficient sources of liquidity to support working capital requirements, finance capital expenditures and pay dividends.

Accounts receivable less allowances: Accounts receivable less allowances increased 3.8% to $641.3 million at the end of the first quarter compared with $617.6 million at the end of 1999, primarily due to sales growth at several business units particularly Bahco and U.S. Transportation, and an increase in dealer finance receivables, partially offset by the pay-down of receivables relating to equipment solutions and U.S. Industrial businesses.

Inventories: Inventories were essentially flat with inventories at $457.7 million in the first quarter of 2000 compared to $454.8 million at year-end.

Liabilities: Total short-term and long-term debt was $651.2 million at the end of the first quarter, compared with $629.8 million at the end of 1999.

Average shares outstanding: Average shares outstanding for basic EPS in the first quarter of 2000 and in last year's first quarter was 58.6 million. Average shares outstanding for diluted EPS for the first quarter of 2000 were 58.7 million shares versus 59.0 million in the same quarter of 1999.

Share repurchase: Since 1995, the Corporation has undertaken stock repurchases from time to time to prevent dilution created by shares issued for employee and dealer stock purchase plans, stock options and other corporate purposes, as well as to repurchase shares when market conditions are favorable. At its January 1999 meeting, the board of directors authorized the repurchase of up to $50.0 million of the Corporation's common stock. This action followed the board's authorization in 1998 to repurchase up to $100.0 million of common stock and its authorization in 1997 for up to $100.0 million of common stock. At the end of 1999, all of the 1999 authorization and substantially all of the 1998 authorization remained available. The Corporation repurchased 492,800 shares of its common stock in 1999, 2,279,400 shares in 1998 and 986,333 shares in 1997. Since 1995, the Corporation has repurchased 8,570,083 shares.

Foreign currency: The Corporation operates in a number of countries and, as a result, is exposed to changes in foreign currency exchange rates. Most of these exposures are managed on a consolidated basis to take advantage of natural offsets through netting. To the extent that the net exposures are hedged, forward contracts are used. Refer to Note 8 for a discussion of the Corporation's accounting policies for the use of derivative instruments.

Year 2000 Compliance: The Corporation has not experienced any significant century date-related issues. Based on information currently known to it, the Corporation believes that all critical areas of its business are Year 2000 compliant. The Corporation's Year 2000 efforts focused on ensuring that its information systems, embedded systems, third-party systems and products would achieve a Year 2000 date conversion with no disruption to the Corporation's business operations and that contingency plans were developed to address most likely worst case scenarios. Information systems, critical third-party suppliers and date-related issues, if any, will continue to be monitored and contingency plans will remain in place.

The Corporation does not anticipate any significant expenditure for these or other Year 2000 compliance activities in 2000. If a situation attributed to Year 2000 issues occurs, which the Corporation believes is unlikely, the funding for remediation will be provided by cash flows from operations.

Euro Conversion: On January 1, 1999, certain member countries of the European Union established fixed conversion rates between their existing currencies ("legacy currencies") and one common currency - the euro. The euro trades on currency exchanges and may be used in business transactions. Beginning in January 2002, the new euro-denominated bills and coins will be used, and legacy currencies will be withdrawn from circulation. The Corporation's operating subsidiaries affected by the euro conversion are developing plans to address the systems and business issues affected by the euro currency conversion. These issues include, among others, (i) the need to adapt computer and other business systems and equipment to accommodate euro-denominated transactions, and (ii) the competitive impact of cross-border price transparency, which may affect pricing strategies. The Corporation does not expect this conversion to have a material impact on its financial condition or results of operations.

Safe Harbor: Statements in this document that are not historical facts, including statements (i) that include the words "believes," "expects," "anticipates," or "estimates" or words of similar importance with reference to the Corporation or management; (ii) specifically identified as forward-looking; or (iii) describing the Corporation's or management's future plans, objectives or goals, are forward-looking statements. The Corporation or its representatives may also make similar forward-looking statements from time to time orally or in writing. The Corporation cautions the reader that these statements are subject to risks, uncertainties or other factors that could cause (and in some cases have caused) actual results to differ materially from those described in any such statement. Those important factors include the timing and progress with which the Corporation can continue to achieve higher productivity and attain further cost reductions; the Corporation's ability to retain and attract dealers, to integrate Bahco successfully, to realize benefits in growth and efficiencies from e-business investments and to withstand external negative factors including changes in trade, monetary and fiscal policies, laws and regulations, or other activities of governments or their agencies; and the absence of significant changes in the current competitive environment, inflation, currency

fluctuations or the material worsening of economic and political situations around the world. These factors may not constitute all factors that could cause actual results to differ materially from those discussed in any forward-looking statement. The Corporation operates in a continually changing business environment and new factors emerge from time to time. The Corporation cannot predict such factors nor can it assess the impact, if any, of such factors on the Corporation or its results. Accordingly, forward-looking statements should not be relied upon as a prediction of actual results. The Corporation disclaims any responsibility to update any forward-looking statement provided in this document.

Item 3: Quantitative and Qualitative Disclosures About Market Risk

Value at Risk: The Corporation uses derivative instruments to manage well-defined interest rate and foreign currency exposures and to limit the impact of interest rate and foreign currency rate changes on earnings and cash flows. The Corporation does not use derivative instruments for trading purposes.

The Corporation utilizes a "Value-at-Risk" ("VAR") model to determine the potential one-day loss in the fair value of its interest rate and foreign exchange-sensitive financial instruments from adverse changes in market factors. The VAR model estimates are made assuming normal market conditions and a 95% confidence level. The Corporation's computations are based on the interrelationships among movements in various currencies and interest rates (variance/co-variance technique). These interrelationships were determined by observing interest rate and foreign currency market changes over the preceding quarter.

The Corporation has operations in a number of countries and has intercompany transactions among them and, as a result, is exposed to changes in foreign currency exchange rates. The Corporation manages most of these exposures on a consolidated basis, which allows netting certain exposures to take advantage of any natural offsets. To the extent the net exposures are hedged, forward contracts are used. The Corporation also enters into interest rate swap agreements to manage interest costs and risks associated with changing interest rates.

The estimated maximum potential one-day loss in fair value, calculated using the VAR model, at April 1, 2000, was $0.4 million on interest rate-sensitive financial instruments and $2.1 million on foreign currency-sensitive financial instruments.

The VAR model is a risk management tool and does not purport to represent actual losses in fair value that will be incurred by the Corporation, nor does it consider the potential effect of favorable changes in market factors.

PART II. OTHER INFORMATION

Item 6: Exhibits and reports on Form 8-K

Item 6(a): Exhibits

Exhibit 27 Financial Data Schedule

Exhibit 99 Acquisition Schedule

Item 6(b): Reports on Form 8-K Filed During the Reporting Period

Date Filed	Date of Report	Item

During the first quarter of 2000, the Corporation reported on Form 8-K the following:

January 20, 2000	Sept. 30, 1999	Item 7. The Corporation filed information related to the Bahco Group AB acquisition.

Subsequent to the first quarter of 2000, the Corporation reported on Form 8-K the following:

April 4, 2000	March 17, 2000	Item 5. The Corporation filed a report relating to amendments to the Corporation's Benefit Trust Agreement relating to the grantor stock ownership program.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, Snap-on Incorporated has duly caused this report to be signed on its behalf by the undersigned duly authorized persons.

SNAP-ON INCORPORATED

Date: May 15, 2000 /s/ R. A. Cornog

R. A. CORNOG
(Chairman, President and
Chief Executive Officer)

Date: May 15, 2000 /s/ N. T. Smith

N. T. SMITH
(Principal Accounting Officer
and Controller)

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UNAUDITED PRO FORMA FINANICAL STATEMENT SCHEDULE OF BAHCO GROUP AB ACQUISITION

On September 30, 1999, the Corporation acquired the Sandvik Saws and Tools business, formerly a wholly owned operating unit of Sandvik AB. Sandvik Saws and Tools business now operates as the Bahco Group AB ("Bahco"). Bahco is a manufacturer and supplier of professional tool products and employs approximately 2,400 people. Of those, approximately 1,000 employees are in Sweden. Products are manufactured at 11 plants in Sweden, Germany, Portugal, France, England, the United States and Argentina.

The acquisition is being accounted for as a purchase and the results of Bahco have been included in the accompanying consolidated financial statements since the date of the acquisition. The total purchase price of approximately $380 million includes the purchase of facilities, a number of brand names and trademarks, and certain other assets and liabilities. The Corporation funded the acquisition through working capital and an expansion of an existing commercial paper credit facility.

A preliminary goodwill allocation in accordance with the criteria established under Accounting Principles Board ("APB") Opinion No. 16, "Business Combinations," has been performed. The cost of the acquisition has been allocated on the basis of the fair market value of the assets acquired and the liabilities assumed. This preliminary allocation results in goodwill of $215 million being recorded. The final purchase price allocation will be finalized during 2000 upon completion of asset valuations and any post-closing purchase price adjustments.

The preliminary allocation of the purchase price of $380 million, which includes direct acquisition costs of $9 million, is as follows:

(Amounts in millions)	
Fair value of property and equipment	$ 98
Fair value of patents and trademarks	25
Other net assets acquired	42
Goodwill	215
Purchase price	$ 380

Assigned useful lives are as follows:	
Patents	13 years
Trademarks	40 years
Goodwill	40 years

The following unaudited pro forma statement of earnings of the Corporation gives effect to the acquisition of Bahco as if the acquisition had occurred on January 1, 1998, after giving effect to certain adjustments for depreciation, amortization, interest expense, and income taxes associated with the purchase method of accounting as performed at the time of the acquisition.

For pro forma purposes, the Corporation's Unaudited Consolidated Statement of Earnings for the thirteen weeks ended April 3, 1999, has been combined with the Unaudited Combined Statement of Revenues and Direct Expenses of the Bahco Group for the three months ended March 31, 1999, and the effects of pro forma adjustments as set forth in the notes thereto.

The following unaudited pro forma statement of earnings are based on historical financial data and on assumptions and adjustments described in the notes thereto. All such assumptions and adjustments are inherently subject to significant uncertainty and contingencies. It can be expected that some or all of the assumptions on which the following unaudited pro forma statements of earnings is based will prove to be inaccurate. As a result, the unaudited pro forma statements of earnings do not purport to represent what the Corporation's results of operations would have been if the acquisition of Bahco had occurred on January 1, 1998, and is not intended to project the Company's results of operations for any future period. The final purchase price allocation, when completed in 2000, will result in changes to the amount of recorded assets and goodwill included as pro forma amounts.

Unaudited Pro Forma Statement of Earnings
(Amounts in thousands except per share data)

	Snap-on Incorporated Unaudited Consolidated Statement Of Earnings Thirteen Weeks Ended April 3, 1999	Bahco Group Unaudited Combined Statement of Revenues and Direct Expenses Three-Months Ended March 31, 1999	Pro forma Adjustments	Pro forma
Net sales	$ 452,585	$ 79,685	$ -	$ 532,270
Cost of goods sold	(233,684)	(51,456)	(615) a	(285,755)
Operating expenses	(182,229)	(20,616)	(1,320) b	(204,165)
Net finance income	20,992	-	-	20,992
Restructuring and other non-recurring charges	(1,933)	-	-	(1,933)
Interest expense	(4,681)	-	(3,913) c	(8,594)
Other income (expense) - net	(833)	124	-	(709)
Earnings (loss) before income taxes	50,217	7,737	(5,848)	52,106
Income tax provision (benefit)	17,976	-	778 d	18,754
Net earnings (loss)	$ 32,241	$ 7,737	$(6,626)	$ 33,352
Earnings per weighted average common share - basic	$ .55			$ .57
Earnings per weighted average common share - diluted	$ .55			$ .57
Weighted average common shares outstanding - basic	58,569			58,569
Effect of dilutive options	389			389
Weighted average common shares outstanding - diluted	58,958			58,958

The following notes to the pro forma adjustments for the Unaudited Pro forma Statement of Earnings for the first quarter of 1999 represent the adjustments in the first quarter of 1999 that would have resulted from the acquisition of the Bahco Group had the acquisition occurred on January 1, 1998.

(a) To adjust depreciation expense for the preliminary change in the basis to fair market value of property, plant and equipment.

(b) To adjust depreciation and amortization expense for the preliminary change in the basis to fair market value of property, plant and equipment and intangible assets including goodwill.

(c) To record additional interest expense resulting from the debt issued to acquire the Bahco Group.

(d) To record an income tax benefit(expense) to return to an appropriate consolidated effective tax rate of 36% for 1999.