Quarterly Financial Review

First Quarter 2009

April 22, 2009

Cautionary Statement

- These slides should be read in conjunction with comments from a conference call held on April 22, 2009. The financial statement information included herein is unaudited.

- Statements made during the April 22, 2009, conference call and/or information included in this presentation may contain statements, including earnings projections, that are forward-looking in nature and, accordingly, are subject to risks and uncertainties regarding Snap-on's expected results. Statements made that (i) are in the future tense; (ii) include the words "expects," "anticipates," "intends," "approximates," "plans," "targets," "estimates," "believes," or similar words that reference Snap-on or its management; (iii) are specifically identified as forward-looking; or (iv) describe Snap-on's or management's future outlook, plans, estimates, objectives or goals, are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The company's actual results may differ materially from those described or contemplated in the forward-looking statements. Factors that may cause the company's actual results to differ materially from those contained in the forward-looking statements include those found in the company's reports filed with the Securities and Exchange Commission, including the information under the "Safe Harbor" and "Risk Factors" headings in its Annual Report on Form 10-K for the fiscal year ended January 3, 2009, which are incorporated herein by reference, weakness in the global economy, and the substantial weakness and uncertainty in the U.S. automotive industry. Snap-on disclaims any responsibility to update any forward-looking statement provided during the April 22, 2009, conference call and/or included in this presentation, except as required by law.

Snap-on Incorporated

Who We Are

OUR MISSION

The most valued productivity solutions in the world

BELIEFS

We deeply believe in:

- Non-negotiable Product and Workplace Safety
- Uncompromising Quality
- Passionate Customer Care
- Fearless Innovation
- Rapid Continuous Improvement

VALUES

Our behaviors define our success:

- We demonstrate Integrity.
- We tell the Truth.
- We respect the Individual.
- We promote Teamwork.
- We Listen.

VISION

To be acknowledged as the:

- Brands of Choice
- Employer of Choice
- Franchisor of Choice
- Business Partner of Choice
- Investment of Choice

Nick Pinchuk

President and Chief Executive Officer

April 22, 2009

Marty Ellen

Senior Vice President and Chief Financial Officer

April 22, 2009

Consolidated Results – 1st Quarter

($ in millions, except per share data - unaudited)	2009		2008		Change
	$	%	$	%	
Net sales	$ 572.6		$ 721.6		(20.6)%
Gross profit	$ 258.7	45.2 %	$ 325.9	45.2 %	(20.6)%
Operating expenses	204.4	35.7 %	245.5	34.0 %	(16.7)%
Financial services revenue	$ 20.0		$ 25.4		(21.3)%
Financial services operating earnings	10.0		12.8		(21.9)%
Operating earnings	$ 64.3	10.9 %	$ 93.2	12.5 %	(31.0)%
Interest expense	$ 8.6		$ 9.5		(9.5)%
Net earnings	$ 34.8		$ 56.6		(38.5)%
Diluted EPS	$ 0.60		$ 0.97		(38.1)%

- Organic sales (excluding currency) declined $94.5 million, or 13.1%
    - Worsening global economic and continued tight credit conditions challenged sales
- Gross profit margin of 45.2% consistent with 2008 levels
    - Gross profit declined $67.2 million primarily due to lower organic sales volumes, including the costs to carry manufacturing capacity, and $26.2 million of unfavorable currency effects
    - Decline partially offset by $7.3 million of savings from Rapid Continuous Improvement (RCI) initiatives
- Operating expenses declined $41.1 million, including $16.0 million of currency translation
    - Includes lower sales volume related expenses, $10.9 million benefit from RCI initiatives and other cost savings; lower incentive compensation expense and $1.9 million of lower restructuring costs
    - Includes $3.0 million of higher pension expense as a result of declines in pension asset values
- Operating earnings decline primarily driven by lower sales volumes and $11.0 million of unfavorable foreign currency effects

Commercial & Industrial – 1st Quarter

($ in millions - unaudited)	**2009**	**2008**	**Change**
Segment sales	$ 259.8	$ 356.7	(27.2)%
➢ Organic sales	(63.3)		(17.7)%
➢ Currency translation	(33.6)		(9.5)%
Gross profit	$ 92.1	$ 132.9	(30.7)%
% of sales	35.5 %	37.3 %	
Operating expenses	$ 74.1	$ 94.7	(21.8)%
% of sales	28.6 %	26.6 %	
Operating earnings	$ 18.0	$ 38.2	(52.9)%
% of sales	6.9 %	10.7 %	

- Organic sales down $63.3 million or 17.7%; $33.6 million of unfavorable currency translation
  - Continued lower sales of professional tools in Europe and lower sales of equipment worldwide; organic sales in the company's worldwide industrial businesses down 6.0%

- Gross profit decreased $40.8 million or 180 basis points
  - Lower organic sales, including the costs to carry manufacturing capacity, $13.4 million of unfavorable currency translation and $2.8 million of inflationary cost increases
  - Decline partially offset by benefits from price increases taken in 2008 and $3.7 million of RCI savings

- Operating expenses down $20.6 million or 21.8%
  - Currency translation of $9.5 million, lower sales volume related expenses and $2.9 million of RCI savings

- Operating earnings decline primarily due to the lower sales volumes and $3.9 million of unfavorable currency translation, partially offset by $6.6 million of savings from RCI and other cost reduction initiatives

Snap-on Tools – 1st Quarter

($ in millions - unaudited)	**2009**	**2008**	**Change**
Segment sales	$ 242.4	$ 289.3	(16.2)%
➢ Organic sales	(31.0)		(10.7)%
➢ Currency translation	(15.9)		(5.5)%
Gross profit	$ 102.7	$ 125.3	(18.0)%
% of sales	42.4 %	43.3 %	
Operating expenses	$ 81.6	$ 90.9	(10.2)%
% of sales	33.7 %	31.4 %	
Operating earnings	$ 21.1	$ 34.4	(38.7)%
% of sales	8.7 %	11.9 %	

- Organic sales down $31.0 million, or 10.7%; $15.9 million of unfavorable currency translation
  - Continued challenging sales environment, particularly for sales of higher-price products
  - Sales declines in the North American franchise operations partially offset by higher international sales
  - U.S. van count essentially flat compared to both year-end and first-quarter 2008 levels
- Gross profit down $22.6 million; gross margin of 42.4% compares to 43.3% last year
  - Lower organic sales, including the costs to carry manufacturing capacity
  - Stronger U.S. dollar lowered international margins by $5.3 million; currency translation further reduced gross profit
- Operating expense decline includes $5.0 million of RCI savings, lower sales volume related and other expenses, $3.9 million of currency translation and $1.2 million of lower restructuring costs
- Operating earnings decline primarily due to lower sales volumes and $7.7 million of unfavorable currency impacts, partially offset by $6.5 million of RCI and other cost savings

Diagnostics & Information – 1st Quarter

($ in millions - unaudited)	**2009**	**2008**	**Change**
Segment sales	$ 132.5	$ 155.0	(14.5)%
➢ Organic sales	(15.8)		(10.2)%
➢ Currency translation	(6.7)		(4.3)%
Gross profit	$ 63.9	$ 67.7	(5.6)%
% of sales	48.2 %	43.7 %	
Operating expenses	$ 38.2	$ 47.3	(19.2)%
% of sales	28.8 %	30.5 %	
Operating earnings	$ 25.7	$ 20.4	26.0 %
% of sales	19.4 %	13.2 %	

- Organic sales down $15.8 million, or 10.2%; $6.7 million of unfavorable currency translation
  - Lower essential tool and facilitation program sales to OEM dealerships; lower diagnostics sales in North America
  - Higher sales of diagnostics products in Europe and Mitchell1™ information products

- Gross profit of $63.9 million; gross profit margin of 48.2% up 450 basis points from 43.7% in 2008
  - Lower organic sales, $1.9 million of higher software development costs, $1.6 million of unfavorable currency
  - Decline partially offset by $2.1 million of RCI savings and $1.2 million of lower restructuring costs

- Operating expense decline includes $3.0 million of RCI savings, $2.6 million of currency translation, and lower sales volume related and other expenses

- Operating earnings up $5.3 million; operating earnings margin of 19.4% up 620 basis points from 2008 levels primarily due to favorable business mix, $5.1 million of RCI savings and $1.8 million of lower restructuring costs

Financial Services – 1st Quarter

($ in millions - unaudited)	**2009**	**2008**	**Change**
Segment revenues	$ 20.0	$ 25.4	(21.3)%
Operating earnings	$ 10.0	$ 12.8	(21.9)%
Originations	$115.8	$146.7	(21.1)%

- First quarter 2009 originations down 21.1% year over year primarily due to lower sales of big-ticket items; partially offset by lower discount rates
- Accounts 60+ days delinquent at Snap-on Credit were 2.2%; slightly improved from 2.3% at year-end 2008
- Snap-on Credit and Snap-on franchisees have heightened their efforts and continue to work diligently to control delinquencies in current credit environment

Cash Flow from Operating Activities

($ in millions - unaudited)	1st Quarter 2009	1st Quarter 2008
Net cash from operating activities		
Net earnings	$ 37.2	$ 57.7
Depreciation and amortization	18.1	17.7
Changes in deferred income taxes	14.6	15.3
Changes in working investment	30.4	(5.4)
Changes in other operating activities	(67.8)	(34.1)
Adjusted operating cash flow	**$ 32.5**	**$ 51.2**
Foreign exchange hedge (payments) / receipts	$ (14.2)	$ 2.6
Release of escrow for acquisition and building sale proceeds	$ -	$ 19.1
Changes in restructuring reserves	$ (3.6)	$ 1.5
Net cash provided by operating activities	**$ 14.7**	**$ 74.4**

- “Adjusted operating cash flow” represents cash flows from the normal course of operations including tax payments, interest payments, compensation payments and other ongoing operating activities

- Foreign exchange hedge payments and receipts result from the settlement of foreign exchange forward contracts used to manage net foreign currency exchange exposures

- 1st quarter 2008 includes the release of $12.9 million of escrow funds to complete the acquisition of a 60% interest in a Chinese hand tool manufacturer; also includes $6.2 million from the sale of a facility in Europe

Balance Sheet

($ in millions - unaudited)	**March 2009**	**December 2008**
Accounts Receivable	$ 478.3	$ 522.1
Days Sales Outstanding	62	64
Inventory	$ 340.7	$ 359.2
Inventory turns	4.3	4.6
Total debt	$ 817.0	$ 515.4
Cash	$ 400.7	$ 115.8
Net debt	$ 416.3	$ 399.6
Net debt to capital ratio	26.5 %	25.2 %
Pretax return on invested capital - TTM	21.0%	22.3%

- Accounts receivable decrease of $43.8 million includes $12.6 million of currency translation
  - Lower year-over-year first quarter sales
  - Continued strong cash collections; days sales outstanding improved from 64 days to 62 days

- Inventory down $18.5 million from 2008 year end; includes $11.1 million of currency translation
  - Inventory reduction efforts dampened by continued slow sales environment
  - Inventory turns of 4.3 times compare to 4.6 times at year-end 2008 levels

- Issued $300 million of fixed rate, unsecured notes on February 24, 2009
  - $100 million due in 2014 at an all-in effective rate of 6.0%
  - $200 million due in 2019 at an all-in effective rate of 6.8%