SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended January 3, 1998

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

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, Kenosha, Wisconsin	53141-1430
(Address of principal executive offices)	(Zip code)

Registrant's telephone number, including area code: (414) 656-5200

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of exchange on which registered
Common stock, $1 par value	New York Stock Exchange
Preferred stock purchase rights	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

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, and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No [ ]

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of the registrant's knowledge, in a definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [X]

Aggregate market value of voting stock held by nonaffiliates of the registrant at February 24, 1998:
$2,475,359,776

Number of shares outstanding of each of the registrant's classes of common stock at February 24, 1998:
Common stock, $1 par value, 60,005,182 shares

Documents incorporated by reference
Portions of the Corporation's Annual Report to Shareholders for the fiscal year ended January 3, 1998, are incorporated by reference into Parts I, II and IV of this report.

Portions of the Corporation's Proxy Statement, dated March 13, 1998, prepared for the Annual Meeting of Shareholders scheduled for April 24, 1998, are incorporated by reference into Part III of this report.

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PART I

Item I: Business

Snap-on Incorporated (the "Corporation" or "Snap-on") is a leading manufacturer and distributor of high-quality hand tools, power tools, tool storage products, diagnostics equipment, shop equipment, emissions/safety equipment, collision repair equipment and systems, diagnostics software, business management software for automotive repair shops, and related products and services. Snap-on's mission is to create value by providing innovative solutions to the transportation service and industrial markets worldwide; therefore, the Corporation's products and services are used mainly by professional technicians and managers in vehicle service and industrial applications. Customers include professional technicians, independent automotive repair and body shops, franchised service centers, specialty repair shops, automotive dealerships, vehicle manufacturers, industrial and government entities, and other professional tool and equipment users.

The Corporation was incorporated under the laws of the state of Wisconsin in 1920 and reincorporated under the laws of the state of Delaware in 1930. Its corporate headquarters are located in Kenosha, Wisconsin. The Corporation has operations throughout the world. Its largest markets include the United States, Australia, Brazil, Canada, France, Germany, Japan, Mexico, the Netherlands, Spain and the United Kingdom. Products and services are marketed and distributed in more than 150 countries through distribution channels that include dealer vans, direct sales forces and distributors.

In 1997 the Corporation acquired business operations that expanded its product line, distribution channels and geographic reach. A 50% interest was acquired in The Thomson Corporation's Mitchell Repair Information business, a provider of print and electronic versions of vehicle mechanical and electrical system repair information to vehicle repair and service establishments throughout North America. The Corporation is obligated to purchase the remaining business over the next four years. A 70% interest was acquired in Texo S.r.l., an Italian manufacturer of lifts for motor vehicles. Several other businesses were acquired in their entirety. Service Equipment France, S.A. is a French distributor of automotive service and repair equipment; its subsidiary, JPL Services, S.A., provides service and repair for equipment products. Computer Aided Service, Inc. ("CAS") is a developer of repair shop management systems, point of sale systems and diagnostics equipment. CAS provides shop-wide connectivity by networking business management computers with diagnostics systems. Nu-Tech Industries, Inc., more commonly known as Brewco Collision Repair, is a manufacturer and supplier of frame straightening equipment,

vehicle measuring systems, paint booths and other collision repair equipment. The acquisition of this company represents Snap-on's entry into the collision repair industry. Hofmann Werkstatt-Technik GmbH ("Hofmann"), a German company, is a leading producer of under-car equipment including wheel balancers, lifts, tire changers and aligners. Hofmann's products are sold in Europe, North America and the Asia/Pacific region.

Products and Services

The Corporation derives income from the manufacture, marketing and distribution of its products and related services, and the financing of certain of its products. The Corporation's manufacturing, marketing and distribution operation offers a broad line of products and complementary services which can be divided into two groups: tools and equipment and related services. The following table shows the approximate percentage of consolidated sales for each of these product groups in each of the past three years.

Product Group	% of Sales		
	1997	1996	1995
Tools			
Hand tools	38%	40%	40%
Power tools	8%	8%	10%
Tool storage	9%	10%	10%
	55%	58%	60%
Equipment and Related Services	45%	42%	40%
	100%	100%	100%

The tools product group includes hand tools, power tools and tool storage products. Hand tools include wrenches, screwdrivers, sockets, pliers, ratchets and other similar products, and instruments developed for medical applications and for the manufacture and servicing of electronic equipment. Power tools include pneumatic (air), cord-free (battery) and corded (electric) tools such as impact wrenches, ratchets, chisels, drills, sanders, polishers and similar products. Tool storage units include tool chests, roll cabinets and other similar products for automotive, industrial, aerospace and other storage applications. The majority of products are manufactured by Snap-on; to complete the product line, some items are purchased from external manufacturers.

The equipment and related services group includes hardware and software solutions for the diagnosis and service of automotive and industrial equipment. Products include engine and emissions analyzers, air conditioning service equipment, brake service equipment, wheel balancing and alignment equipment, transmission troubleshooting equipment, vehicle safety testing equipment, battery chargers, lifts and hoists, diagnostics equipment and collision repair equipment. Also included are service and repair information products, on-line diagnostics services, management systems, point of sale systems, integrated systems for automotive repair shops, and purchasing facilitation services. In the United States the Corporation supports the sale of its diagnostics and shop equipment by offering training programs to technician customers. These programs offer certification in both specific automotive technologies and in the application of specific diagnostics equipment developed and marketed by the Corporation.

Tools and equipment and related services are marketed under a number of brand names and trademarks, many of which are well known in the automotive and industrial markets served. Some of the major trade names and trademarks and the products and services with which they are associated include the following:

Trade Names/Trademarks	Products and Services
Snap-on	Hand tools, power tools, tool storage units, and certain equipment
Blue Point	Hand tools, power tools
Wheeltronic	Hoists and lifts for vehicle service shops

J. H. Williams (Williams)	Hand tools
A. T. I. Tools (ATI)	Tools and equipment for aerospace and industrial applications
Sioux Tools (Sioux)	Power tools
Snap-on Medical Products	Tools for orthopedic applications
Sun Electric (Sun)	Diagnostics and service equipment
Balco	Engine diagnostics and wheel balancers
CAS	Repair shop management systems, point of sale systems, diagnostics equipment
John Bean	Under-car and other service equipment
Hofmann	Wheel balancers, lifts, tire changers and aligners
Brewco	Frame straightening equipment, vehicle measuring systems, paint booths and other collision repair equipment
Mitchell	Repair and service information and shop management systems
Edge Diagnostic Systems	Software to diagnose vehicle computer systems
ShopKey	Repair and service information and shop management software
Equipment Solutions	Custom programs for vehicle manufacturers and their dealerships
Equiserve	Equipment repair services

The Corporation's financing activities are conducted primarily through its Snap-on Credit Corporation ("Credit Corp") subsidiary. The Credit Corp is responsible for certain credit and non-credit services used to support sales and to provide dealer financing options. Currently, the majority of its revenues are derived from the automotive service industry in North America.

Credit programs facilitate the sale of many of the Corporation's products and services. Through a contractual arrangement, extended credit is offered to technicians to enable them to purchase tools and equipment that can be used to generate income while they pay for the products over time. Financing, in a lease format, is also offered to shop owners, both independent and national chains, who purchase equipment items, which typically are higher price point products than tools. The duration of lease contracts is often two to three times that of extended credit contracts.

Credit Corp also makes available financing to new dealers, whereby a 10-year loan is originated to enable the dealer to fund the purchase of the franchise and the related working capital needs, particularly inventory and customer receivables.

Market Sectors Served

The Corporation markets and distributes its products and related services primarily to professional users around the world in two market sectors: the vehicle service and repair sector, and the industrial sector. Additional information about the Corporation's international and domestic operations is provided in Note 13 on page 35 of the Corporation's 1997 Annual Report, incorporated herein by reference.

Vehicle Service and Repair Sector

The vehicle service and repair sector has three main customer groups:

professional technicians, primarily in the vehicle service industry, who purchase tools and equipment for themselves; service and repair shop owners and managers - including independent shops, national chains and automotive dealerships - who purchase equipment for use by multiple technicians within a service or repair facility; and vehicle manufacturers (OEMs).

The Corporation provides innovative tool and equipment solutions, as well as technical sales support and training, to meet technicians' evolving needs. Snap-on's dealer van distribution system offers technicians the convenience of purchasing quality tools with minimal disruption of their work routine. The Corporation also serves owners and managers of shops where technicians work with tools, diagnostics equipment, repair and service information, and shop management products. Snap-on provides vehicle manufacturers products and services including tools, facilitation services for the purchase and distribution of equipment, and consulting services.

Major challenges for the Corporation and the vehicle service and repair industry include the increasing rate of technological change within motor vehicles, and the evolution in the conduct of business by both suppliers and customers that is necessitated by such change.

Industrial Sector

The Corporation markets its products to a wide variety of industrial customers, including industrial maintenance and repair facilities; manufacturing and assembly operations; industrial distributors; government facilities; schools; and original equipment manufacturers ("OEMs") who require instrumentation or service tools and equipment for their products.

Major challenges in the industrial market include a highly competitive, cost-conscious environment, and a trend toward customers making all of their tool purchases through one integrated supplier. The Corporation believes it is currently a meaningful participant in the market for industrial tools and equipment.

Distribution Channels

The Corporation serves customers primarily through three channels of distribution: dealer/tech reps, company direct sales, and distributors. The following discussion represents the Corporation's general approach in each channel, and is not intended to be all-inclusive.

Dealer/Tech Rep Organization

In the United States, the majority of sales to the automotive repair industry are conducted through the Corporation's dealer/tech rep network; the market served by this network centers on professional technicians and shop owners. Snap-on's mobile dealer van system covers automotive technicians and independent shop owners, calling weekly at the customer's place of business. Dealers' sales are concentrated in hand and power tools and some small equipment, which can easily be transported in a van and demonstrated during a brief sales call, as well as in tool storage units. Dealers purchase the Corporation's products at a discount from suggested retail prices and resell them at prices of the dealer's choosing. Although some dealers have sales areas defined by other methods, most U.S. dealers are provided a list of places of business which serves as the basis of the dealer's sales route.

The dealer sales force is supported by the Snap-on/Sun Tech Systems employee sales force ("Tech Specialists"), who work with dealers in the demonstration and sale of diagnostics equipment and also sell higher-end diagnostics and shop equipment on their own. Tech Specialists are compensated primarily on the basis of commission; dealers receive a commission for referring business to Tech Specialists.
Most products sold through the dealer/tech rep organization are sold under the Snap-on or Sun brand names.

Since 1991, all new U.S. dealers, and a majority of existing U.S. dealers, have been enrolled as franchisees of the Corporation. The Corporation currently charges initial and ongoing monthly license fees, which do not add materially to the Corporation's revenues. The Corporation makes it possible for prospective dealer candidates to work as employee sales representatives, at salary plus commission, for up to one year prior to

making an investment in a franchise. In addition, through Snap-on Financial Services, Inc. and its subsidiary, Snap-on Credit Corporation, the Corporation provides financial assistance for newly converted franchise dealers and other new franchise dealers, which could include financing for initial license fees, inventory, revolving accounts receivable acquisition, equipment, fixtures, other expenses and an initial checking account deposit. At year end 1997, approximately 88 percent of all U.S. dealers were enrolled as franchisees.

The Corporation services and supports its dealers with an extensive field organization of branch offices and service and distribution centers. The Corporation also provides sales training, customer and dealer financial assistance, and marketing and product promotion programs to help maximize dealer sales. A National Dealer Advisory Council, composed of and elected by dealers, assists the Corporation in identifying and implementing enhancements to the franchise program.

The Corporation has replicated its dealer van method of distribution in certain countries, including Australia, Canada, Germany, Mexico, the Netherlands, Japan and the United Kingdom. In these markets, as in the United States, purchase decisions are generally made by professional technicians. The Corporation markets products in certain other countries through its subsidiary, Snap-on Tools International, Ltd., which sells to foreign distributors under license or contract with the Corporation.

Company Direct Sales

In the United States, a growing proportion of sales of Snap-on and Sun equipment are made by a direct sales force that has responsibility for national accounts. As the automotive service and repair industry consolidates, with more business conducted by national chains, automotive dealerships and franchised service centers, these larger organizations can be serviced most effectively by sales people who can demonstrate and sell the full line of products and services. The Corporation also sells its products and services directly to vehicle manufacturers.

Tools and equipment are marketed to industrial and governmental customers and for the medical profession in the United States through industrial sales representatives, who are employees, and independent industrial distributors. The sales representatives focus on industrial customers whose main purchase criteria are quality and service, as well as on certain OEM accounts. At the end of 1997, the Corporation had industrial sales representatives in the United States, Canada, Australia, Japan, Mexico, Puerto Rico, and some European countries, with the United States representing the majority of the Corporation's total industrial sales. Tools and equipment for the U.S. industrial and government markets are sold through a direct sales force as well as through industrial distributors. In most markets outside the United States, industrial sales are conducted through distributors.

Distributors

Sales of certain tools and equipment are made through automotive and industrial distributors, who purchase the items from Snap-on and resell them to the end users. Products sold through distributors in North America, Europe and select other parts of the world include under-car and other service equipment. These products are sold under brands including John Bean, Hofmann, Irimo, Palmero and Acesa, and are differentiated from those sold through the dealer/tech rep and direct sales channels. Sun brand equipment is marketed through distributors in South America and Asia, and through both a direct sales force and distributors in Europe.

Competition

The Corporation competes on the basis of its product quality, service, brand awareness and technological innovation. While no one company competes with the Corporation across all of its product lines and distribution channels, various companies compete in one or more product categories and/or distribution channels.

The Corporation believes that it is a leading manufacturer and distributor of its products for the customers it serves in the vehicle service industry, and that it offers the broadest line of products to the vehicle service industry. The major competitors selling to professional technicians in the vehicle service and repair sector through the mobile

van channel include MAC Tools (The Stanley Works) and Matco (Danaher Corporation). The Corporation also competes with companies that sell through non-mobile-van distributors; these competitors include The Stanley Works, Sears, Roebuck and Co., and Strafor Facom. In the industrial sector, major competitors include Armstrong (Danaher Corporation), Cooper Industries and Proto (The Stanley Works). The major competitors selling diagnostics and shop equipment to shop owners in the vehicle service and repair sector include SPX Corporation and Hunter Engineering.

Raw Material & Purchased Product

The Corporation's supply of raw materials (various grades of steel bars and sheets) and purchased components are readily available from numerous suppliers.

The majority of 1997 consolidated net sales consisted of products manufactured by the Corporation. The remainder was purchased from outside suppliers. No single supplier's products accounted for a material portion of 1997 consolidated net sales.

Patents and Trademarks

The Corporation vigorously pursues and relies on patent protection to protect its inventions and its position in the market. As of January 3, 1998, the Corporation and its subsidiaries held over 721 patents worldwide, with more than 466 pending patent applications. No sales relating to any single patent represent a material portion of the Corporation's revenues.

Examples of products that have features or designs that benefit from patent protection include engine analyzers, serrated jaw open-end wrenches, wheel alignment systems, wheel balancers, sealed ratchets, electronic torque wrenches, ratcheting screwdrivers, emissions sensing devices and air conditioning equipment.

Much of the technology used in the manufacturing of automotive tools and equipment is in the public domain. The Corporation relies primarily on trade secret protection to protect proprietary processes used in manufacturing. Methods and processes are patented when appropriate.

Trademarks used by the Corporation are of continuing importance to the Corporation in the marketplace. Trademarks have been registered in the United States and 72 other countries, and additional applications for trademark registrations are pending. The Corporation rigorously polices proper use of its trademarks.

The Corporation's right to manufacture and sell certain products is dependent upon licenses from others. These products do not represent a material portion of the Corporation's sales.

Working Capital

Because most of the Corporation's business is not seasonal, and its inventory needs are relatively constant, no unusual working capital needs arise during the year.

The Corporation's use of working capital to extend credit to its dealers and to purchase installment credit receivables from dealers is discussed in "Management's Discussion and Analysis of Results of Operations and Financial Condition," which is found on pages 16 to 20 of the Corporation's 1997 Annual Report and is incorporated herein by reference.

The Corporation does not depend on any single customer, small group of customers or government for any material part of its sales, and has no significant backlog of orders.

Environment

The Corporation complies with applicable environmental control requirements in its operations. Compliance has not had a material effect upon the Corporation's capital expenditures, earnings or competitive position.

Employees

At the end of 1997, the Corporation employed approximately 11,700 people, of whom approximately 40 percent are engaged in manufacturing activities.

Item 2: Description of Properties

The Corporation maintains both leased and owned manufacturing, warehouse, distribution and office facilities throughout the world. The Corporation believes that its facilities are well maintained and have a capacity adequate to meet the Corporation's present and foreseeable future demand. The Corporation's U.S. facilities occupy approximately 4.5 million square feet, of which approximately 78 percent is owned. The Corporation's facilities outside the U.S. contain approximately 1.9 million square feet, of which approximately 70 percent is owned.

The Corporation's principal manufacturing locations and distribution centers are as follows:

Location	Type of property	Owned/Leased
Conway, Arkansas	Manufacturing	Owned
City of Industry, California	Manufacturing	Leased
Escondido, California	Manufacturing	Owned
San Jose, California	Manufacturing	Leased
Sunnyvale, California	Manufacturing	Leased
Columbus, Georgia	Manufacturing	Owned
Crystal Lake, Illinois	Distribution and manufacturing	Owned
Mt. Carmel, Illinois	Manufacturing	Owned
Ottawa, Illinois	Distribution	Owned
Algona, Iowa	Manufacturing	Owned
Sioux City, Iowa	Manufacturing	Owned
Central City, Kentucky	Manufacturing	Leased
Natick, Massachusetts	Manufacturing	Owned
Olive Branch, Mississippi	Distribution	Leased and owned
Carson City, Nevada	Distribution	Leased and owned
Robesonia, Pennsylvania	Distribution	Owned
Johnson City, Tennessee	Manufacturing	Owned
Elizabethton, Tennessee	Manufacturing	Owned
East Troy, Wisconsin	Manufacturing	Owned
Elkhorn, Wisconsin	Manufacturing	Owned
Kenosha, Wisconsin	Manufacturing	Owned
Milwaukee, Wisconsin	Manufacturing	Owned
Sydney, Australia	Distribution	Leased
Barbara D'oeste, Brazil	Manufacturing	Owned
Calgary, Canada	Distribution	Leased
Mississagua, Canada	Manufacturing	Leased
Newmarket, Canada	Distribution and manufacturing	Owned
Kettering, England	Distribution	Owned
King's Lynn, England	Distribution and manufacturing	Owned
Altmittweida, Germany	Distribution	Owned
Pfungstadt, Germany	Manufacturing	Leased
Sopron, Hungary	Manufacturing	Owned
Cork, Ireland	Manufacturing	Leased
Shannon, Ireland	Manufacturing	Leased
Tokyo, Japan	Distribution	Leased
Amsterdam, the Netherlands	Distribution	Owned
Irun, Spain	Manufacturing	Owned
Soria, Spain	Manufacturing	Owned
Urretxu, Spain	Manufacturing	Owned
Vitoria, Spain	Distribution and manufacturing	Owned

Item 3: Legal Proceedings

The Corporation intervened in litigation commenced by Tejas Testing Technology One, L.C. and Tejas Testing Technology Two, L.C. (the "Tejas Companies"), as described in Note 12 to the Financial Statements of the Corporation on pages 34 and 35 of its 1997 Annual Report, which is incorporated herein by reference.

Item 4: Submission of Matters to a Vote of Security Holders

There was no matter submitted to a vote of the shareholders during the fourth quarter of the fiscal year ending January 3, 1998.

Item 4.1: Executive Officers of the Registrant

The executive officers of the Corporation, their ages as of January 3, 1998, and their current titles and positions held during the last five years are listed below.

Robert A. Cornog (57) - Chairman, President and Chief Executive Officer since July 1991. A Director since 1982.

Branko M. Beronja (63) - Senior Vice President - Diagnostics since February 1998. Senior Vice President - Diagnostics, North America from April 1996 to February 1998. President - North American Operations from April 1994 to April 1996, and Vice President - Sales, North America from August 1989 to April 1994. A Director since January 1997.

Frederick D. Hay (53) - Senior Vice President - Transportation since February 1996. Prior to joining Snap-on, he was President of the Interior Systems and Components Division of UT Automotive, a business unit of United Technologies Corporation, from December 1989 to January 1996.

Donald S. Huml (51) - Senior Vice President - Finance and Chief Financial Officer since August 1994. Prior to joining Snap-on, he was Vice President and Chief Financial Officer of Saint-Gobain Corporation from December 1990 to August 1994.

Michael F. Montemurro (49) - Senior Vice President - Financial Services and Administration since August 1994. Senior Vice President - Financial Services, Administration and Chief Financial Officer from April 1994 to August 1994. Senior Vice President - Finance and Chief Financial Officer from March 1990 to April 1994.

Jay H. Schnabel (55) - Senior Vice President - Europe since April 1996. Senior Vice President - Diagnostics from April 1994 to April 1996. Senior Vice President - Administration from April 1990 to April 1994. A Director since August 1989.

Neil T. Smith (43) - Controller since November 1997. Financial Controller from June 1997 to November 1997. Director of Financial Analysis and Planning from December 1994 to May 1997. Prior to joining Snap-on, he was Director of Finance for the Nielsen Marketing Research Division of Dun and Bradstreet Corporation from January 1991 to December 1994.

Susan F. Marrinan (49) - Vice President, Secretary and General Counsel since January 1992.

There is no family relationship among the executive officers and there has been no involvement in legal proceedings during the past five years that would be material to the evaluation of the ability or integrity of any of the executive officers. Executive officers may be elected by the Board of Directors or appointed by the Chief Executive Officer at the regular meeting of the Board which follows the Annual Shareholders' Meeting, held on the fourth Friday of April each year, and at such other times as new positions are created or vacancies must be filled.

PART II

Item 5: Market for Registrant's Common Equity and Related Stockholder Matters

At January 3, 1998, the Corporation had 60,515,814 shares of common stock outstanding.

On June 27, 1997, the Corporation's board of directors authorized the repurchase of $100 million of the Corporation's common stock over a two-

year period. At the end of 1997, substantially all of the authorization remained available. In 1996, the Corporation's board of directors approved an ongoing authorization to repurchase stock in an amount equivalent to that necessary to prevent dilution created by shares issued for stock options, employee and dealer stock purchase plans, and other corporate purposes. In 1997, the Corporation repurchased 986,333 shares of its common stock at an average price of $42.91.

Additional information required by Item 5 is contained on pages 37 and 41 of the Corporation's 1997 Annual Report and is incorporated herein by reference to said Annual Report.

Item 6: Selected Financial Data

The information required by Item 6 is contained on pages 36 and 37 of the Corporation's 1997 Annual Report and is incorporated herein by reference to said Annual Report.

Item 7: Management's Discussion and Analysis of Financial Condition and Results of Operations

The information required by Item 7 is contained on pages 16 to 20 of the Corporation's 1997 Annual Report and is incorporated herein by reference to said Annual Report.

Item 8: Financial Statements and Supplementary Data

The information required by Item 8 is contained on pages 21 to 35 of the Corporation's 1997 Annual Report and is incorporated herein by reference to said Annual Report.

Item 9: Changes in and Disagreements With Accountants on Accounting and Financial Disclosure

None.

PART III

Item 10: Directors and Executive Officers of the Registrant

The identification of the Corporation's directors as required by Item 10 is contained in the Corporation's Proxy Statement, dated March 13, 1998, and is incorporated herein by reference to said Proxy Statement. With respect to information about the Corporation's executive officers, see caption "Executive Officers of the Registrant" at the end of Part I of this report.

The disclosure of late filers pursuant to Item 405 of Regulation S-K is contained on page 19 of the Corporation's Proxy Statement, dated March 13, 1998, and is incorporated herein by reference to said Proxy Statement.

Item 11: Executive Compensation

The information required by Item 11 is contained on pages 10 to 18 of the Corporation's Proxy Statement, dated March 13, 1998, and is incorporated herein by reference to said Proxy Statement.

Item 12: Security Ownership of Certain Beneficial Owners and Management

The information required by Item 12 is contained on pages 8 to 9 of the Corporation's Proxy Statement, dated March 13, 1998, and is incorporated herein by reference to said Proxy Statement.

Item 13: Certain Relationships and Related Transactions

None.

PART IV

Item 14: Exhibits, Financial Statement Schedules and Reports on Form 8-K

Item 14(A): Document List

1. List of Financial Statements

The following consolidated financial statements of Snap-on Incorporated, and the Auditors' Report thereon, each included in the 1997 Annual Report of the Corporation to its shareholders for the year ended January 3, 1998, are incorporated by reference in Item 8 of this report:

Consolidated Balance Sheets as of January 3, 1998 and December 28, 1996.

Consolidated Statements of Earnings for the years ended January 3, 1998, December 28, 1996 and December 30, 1995.

Consolidated Statements of Shareholders' Equity for the years ended January 3, 1998, December 28, 1996 and December 30, 1995.

Consolidated Statements of Cash Flows for the years ended January 3, 1998, December 28, 1996 and December 30, 1995.

Notes to Consolidated Financial Statements.

2. Financial Statement Schedule

The following consolidated financial statement schedule of Snap-on Incorporated is included in Item 14(d) as a separate section of this report.

Schedule II Valuation and Qualifying Accounts and Reserves Page 17

All other schedules for which provision is made in the applicable accounting regulations of the Securities and Exchange Commission are inapplicable and, therefore, have been omitted, or are included in the Corporation's 1997 Annual Report in the Notes to Consolidated Financial Statements for the years ended January 3, 1998, December 28, 1996 and December 30, 1995, which are incorporated by reference in Item 8 of this report.

3. List of Exhibits

The exhibits filed with or incorporated by reference in this report are as specified in the exhibit index. Page 16

Item 14(B): Reports on Form 8-K

No reports on Form 8-K were filed during the last quarter of the period covered by this report.

Subsequent to year-end, the Corporation reported on Form 8-K dated February 17, 1998 that the Corporation and Tejas Testing Technologies have completed an agreement, approved by the U.S. Bankruptcy Court in Austin, Texas, that will fully satisfy the Corporation's liability related to a loan guaranty by the Corporation of certain Tejas lease obligations.

Subsequent to year-end, the Corporation reported on Form 8-K dated March 17, 1998 those portions of its fiscal 1997 Annual Report to Shareholders that the Corporation has incorporated by reference herein.

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS ON FINANCIAL STATEMENT SCHEDULE

We have audited, in accordance with generally accepted auditing standards, the financial statements included in Snap-on Incorporated's (the "Corporation") Annual Report to Shareholders, incorporated by reference in this Form 10-K, and have issued our report thereon dated January 27, 1998. Our audit was made for the purpose of forming an opinion on those statements taken as a whole. The schedule listed on page 18 is the responsibility of the Corporation's management and is presented for purposes of complying with the Securities and Exchange Commission's rules and is not part of the basic financial statements. This schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, fairly states in all material

respects the financial data required to be set forth therein in relation to the basic financial statements taken as a whole.

/s/ Arthur Andersen LLP

ARTHUR ANDERSEN LLP

Chicago, Illinois
January 27, 1998

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the incorporation of our reports included (or incorporated by reference) in this Form 10-K, into the Corporation's previously filed Registration Statement File Nos. 2-53663, 2-53578, 33-7471, 33-22417, 33-37924, 33-39660, 33-57898, 33-55607, 33-58939, 33-58943, 333-14769, 333-21277, 333-21285 and 333-41359.

/s/ Arthur Andersen LLP

ARTHUR ANDERSEN LLP

Chicago, Illinois
March 27, 1998

SIGNATURES

Pursuant to the requirements of Section 13 of 15(d) of the Securities Exchange Act of 1934, the Corporation has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

SNAP-ON INCORPORATED

By: /s/ R. A. Cornog — Date: March 27, 1998
R. A. Cornog, Chairman of the Board
of Directors, President and Chief
Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed by the following persons on behalf of the Corporation and in the capacities as indicated.

/s/ R. A. Cornog — Date: March 27, 1998
R. A. Cornog, Chairman of the Board
of Directors, President and Chief
Executive Officer

/s/ D. S. Huml — Date: March 27, 1998
D. S. Huml, Principal Financial Officer,
and Senior Vice President - Finance

/s/ N. T. Smith — Date: March 27, 1998
N. T. Smith, Principal Accounting Officer,
and Controller

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed by the following persons on behalf of the Corporation and in the capacities as indicated.

By: /s/ B. M. Beronja — Date: March 27, 1998
B. M. Beronja, Director

By: /s/ D. W. Brinckman — Date: March 27, 1998
D. W. Brinckman, Director

By: /s/ B. S. Chelberg — Date: March 27, 1998
B. S. Chelberg, Director

By: /s/ R. J. Decyk — Date: March 27, 1998
R. J. Decyk, Director

By: /s/ R. F. Farley — Date: March 27, 1998
R. F. Farley, Director

By: /s/ L. A. Hadley — Date: March 27, 1998
L. A. Hadley, Director

By: /s/ A. L. Kelly — Date: March 27, 1998
A. L. Kelly, Director

By: /s/ G. W. Mead — Date: March 27, 1998
G. W. Mead, Director

By: /s/ E. H. Rensi — Date: March 27, 1998
E. H. Rensi, Director

By: /s/ J. H. Schnabel — Date: March 27, 1998
J. H. Schnabel, Director

By: /s/ R. F. Teerlink — Date: March 27, 1998
R. F. Teerlink, Director

SCHEDULE II - VALUATION AND QUALIFYING ACCOUNTS AND RESERVES

Description	Balance at beginning of year	Balance of Subsidiary at time of acquisition	Charged to Costs and expenses	Deductions (1)	Balance at end of year
Allowance for doubtful					

accounts					
Year ended January 3, 1998	$16,902,581	$ 2,220,474	$21,039,748	$19,518,127	$20,644,676
Year ended December 28, 1996	$14,650,458	$ 296,140	$13,611,414	$11,655,431	$16,902,581
Year ended December 30, 1995	$13,180,862	$ 205,414	$12,999,732	$11,735,550	$14,650,458

(1) This amount represents write-offs of bad debts.

EXHIBIT INDEX

Item 14(c): Exhibits

(3) (a) Restated Certificate of Incorporation of the Corporation as amended through April 25, 1997

(b) Bylaws of the Corporation, effective as of January 26, 1996 (incorporated by reference to Exhibit (3)(b) to the Corporation's Annual Report on Form 10-K for the fiscal year ended December 30, 1996 (Commission File No. 1-7724))

(4) (a) Rights Agreement between the Corporation and First Chicago Trust Company of New York, effective as of August 22, 1997 (incorporated by reference to the Corporation's Form 8-A12B dated October 17, 1997 (Commission File No. 1-7724))

The Corporation and its subsidiaries have no long-term debt agreement for which the related outstanding debt exceeds 10% of consolidated total assets as of January 3, 1998. Copies of debt instruments for which the related debt is less than 10% of consolidated total assets will be furnished to the Commission upon request.

(10) Material Contracts

(a) Amended and Restated Snap-on Incorporated 1986 Incentive Stock Program (incorporated by reference to Exhibit (10)(a) to the Corporation's Annual Report on Form 10-K for the fiscal year ended December 28, 1996 (Commission File No. 1-7724))*

(b) Form of Restated Senior Officer Agreement between the Corporation and each of Robert A. Cornog, Branko M. Beronja, Frederick D. Hay, Donald S. Huml, Michael F. Montemurro and Jay H. Schnabel (incorporated by reference to Exhibit (10)(b) to the Corporation's Annual Report on Form 10-K for the fiscal year ended December 30, 1995 (Commission File No. 1-7724))*

(c) Form of Restated Executive Agreement between the Corporation and each of Richard V. Caskey, Dan G. Craighead, Dale F. Elliott, Gregory D. Johnson, Nicholas L. Loffredo, Denis J. Loverine, Susan F. Marrinan, Lynn L. McHugh, Neil T. Smith and William R. Whyte (incorporated by reference to Exhibit (10)(b) to the Corporation's Annual Report on Form 10-K for the fiscal year ended December 30, 1995 (Commission File No. 1-7724))*

(d) Form of Indemnification Agreement between the Corporation and each of the Directors, Frederick D. Hay, Donald S. Huml, Susan F. Marrinan and Michael F. Montemurro effective October 24, 1997*

(e) Amended and Restated Snap-on Incorporated Directors' 1993

Fee Plan (incorporated by reference to Exhibit (10)(e) to the Corporation's Annual Report on Form 10-K for the fiscal year ended December 28, 1996 (Commission File No. 1-7724))*

(f) Snap-on Incorporated Deferred Compensation Plan (incorporated by reference to Exhibit (10)(f) to the Corporation's Annual Report on Form 10-K for the fiscal year ended December 28, 1996 (Commission File No. 1-7724))*

(g) Snap-on Incorporated Supplemental Retirement Plan for Officers (incorporated by reference to Exhibit (10)(b) to the Corporation's Annual Report on Form 10-K for the fiscal year ended December 30, 1995 (Commission File No. 1-7724))*

(12) Computation of Ratio of Earnings to Fixed Charges

(13) Annual Report to Shareholders (incorporated by reference to Exhibit 99 to the Corporations Current Report on Form 8-K date March 17, 1998 (Commission File No. 1-7724))

(21) Subsidiaries of the Corporation

(23) Consent of Independent Public Accountants (included in Report of Independent Public Accountants on Financial Statement Schedule)

(27.1) Restated Fiscal 1995 Financial Data Schedule.

(27.2) Restated Financial Data Schedule for the first quarter of 1996.

(27.3) Restated Financial Data Schedule for the second quarter of 1996.

(27.4) Restated Financial Data Schedule for the third quarter of 1996.

(27.5) Restated Fiscal 1996 Financial Data Schedule.

(27.6) Restated Financial Data Schedule for the first quarter of 1997.

(27.7) Restated Financial Data Schedule for the second quarter of 1997.

(27.8) Restated Financial Data Schedule for the third quarter of 1997.

(27.9) Fiscal 1997 Financial Data Schedule.

* Denotes management contract or compensatory plan or arrangement

RESTATED
CERTIFICATE OF INCORPORATION
OF SNAP-ON INCORPORATED

SNAP-ON INCORPORATED, a corporation organized and existing under the laws of the State of Delaware, does hereby certify as follows:

1. The name of the corporation is "SNAP-ON INCORPORATED" (hereinafter referred to as the "Corporation"), and the name under which the Corporation was originally incorporated is "Snap-on Tools, Inc." The date of filing its original Certificate of Incorporation with the Secretary of State was April 7, 1930.

2. This Restated Certificate of Incorporation was duly adopted by the Board of Directors of the Corporation in accordance with Section 245 of the General Corporation Law of the State of Delaware.

3. This Restated Certificate of Incorporation restates and integrates the provisions of the Restated Certificate of Incorporation of the Corporation as heretofore amended or supplemented and there is no discrepancy between those provisions and the provisions of this Restated Certificate of Incorporation.

4. The text of the Restated Certificate of Incorporation as heretofore amended or supplemented is hereby further restated to read as herein set forth in full:

FIRST: The name of the Corporation is Snap-on Incorporated.

SECOND: The location of its principal office in the State of Delaware is Corporation Trust Center, 1209 Orange Street, in the City of Wilmington, County of New Castle, State of Delaware. The name of its resident agent therein, and in charge of said office, is The Corporation Trust Company whose address is Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware.

THIRD: The nature of the business or objects or purposes to be transacted, promoted or carried on by the Corporation are to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of Delaware.

FOURTH: The total number of shares of all classes of stock which the Corporation shall have authority to issue is two hundred fifty million (250,000,000) shares of Common Stock with the par value of one dollar ($1.00) per share and fifteen million (15,000,000) shares of Preferred Stock with the par value of one dollar ($1.00) per share.

The following is a description of each of the classes of stock of the Corporation and a statement of the powers, preferences and rights of such stock, and the qualifications and restrictions thereof:

(a) At all meetings of the shareholders of the Corporation the holders of the Common Stock shall be entitled to one vote for each share of Common Stock held by them respectively.

(b) Shares of the Preferred Stock may be issued from time to time in one or more series as may from time to time be determined by the Board of Directors of the Corporation. Each series shall be distinctly designated. Except as otherwise provided in the resolution setting forth the designations and rights of the series of Preferred Stock, all shares of any one series of the Preferred Stock shall be alike in every particular, except that there may be different dates from which dividends (if any) thereon shall be cumulative, if made cumulative.

The relative preferences, participating, optional and other special rights of each such series, and limitations thereof, if any, may differ from those of any and all other series at any time outstanding. The Board of Directors of the Corporation is hereby expressly granted authority to fix by resolution or resolutions adopted prior to the issuance of any shares of each particular series of the Preferred Stock, the designation, relative preferences, participating, optional and other special rights and limitations thereof, if any, of such series, including, but without limiting the generality of the foregoing, the following:

(1) the distinctive designation of, and the number of shares of the Preferred Stock which shall constitute the series, which number may be increased (except as otherwise fixed by the Board of Directors) or decreased (but not below the number of shares thereof then outstanding) from time to time by action of the Board of Directors;

(2) the rate and times at which, and the terms and conditions upon which, dividends, if any, on shares of the series may be paid, the extent of preferences or relation, if any, of such dividends to the dividends payable on any other class or classes of stock of the Corporation, or on any series of the Preferred Stock or of any other class or classes of stock of the Corporation, and whether such dividends shall be cumulative, partially cumulative or non-cumulative;

(3) the right, if any, of the holders of shares of the series to convert the same into, or exchange the same for, shares of any other class or classes of stock of the Corporation, and the terms and conditions of such conversion or exchange;

(4) whether shares of the series shall be subject to redemption and the redemption price or prices and the time or times at which, and the terms and conditions upon which, shares of the series may be redeemed;

(5) the rights, if any, of the holders of shares of the series upon voluntary or involuntary liquidation, merger, consolidation, distribution or sale of assets, dissolution or winding-up of the Corporation;

(6) the terms of the sinking fund or redemption or purchase account, if any, to be provided for shares of the series; and

(7) the voting powers, if any, of the holders of shares of the series which may, without limiting the generality of the foregoing, include the right, voting as a series by itself or together with other series of the Preferred Stock or all series of the Preferred Stock as a class, (1) to vote more or less than one vote per share on any or all matters voted upon by the shareholders, (2) to elect one or more directors of the Corporation in the event there shall have been a default in the payment of dividends on any one or more series of the Preferred Stock or under such other circumstances and upon such conditions as the Board of Directors may fix.

(c) The relative preferences, rights and limitations of each series of Preferred Stock in relation to the preferences, rights and limitations of each other series of Preferred Stock shall, in each case, be as fixed from time to time by the Board of Directors in the resolution or resolutions adopted pursuant to authority granted in this Article FOURTH, and the consent by class or series vote or otherwise, of the holders of the Preferred Stock of such of the series of the Preferred Stock as are from time to time outstanding shall not be required for the issuance by the Board of Directors of any other series of Preferred Stock whether the preferences and rights of such other series shall be fixed by the Board of Directors as senior to, or on a parity with, the preferences and rights of such outstanding series, or any of them; provided, however, that the Board of Directors may provide in such resolution or resolutions adopted with respect to any series of Preferred Stock that the consent of the holders of a majority (or such greater proportion as shall be therein fixed) of the outstanding shares of such series voting thereon shall be required for the issuance of any or all other series of Preferred Stock.

(d) Subject to the provisions of the preceding paragraph (c), shares of any series of Preferred Stock may be issued from time to time as the Board of Directors shall determine and on such terms and for such consideration, not less than the par value thereof, as shall be fixed by the Board of Directors.

RESOLVED, that pursuant to the authority vested in the Board of Directors of this Corporation in accordance with the provisions of Article FOURTH of its Certificate of Incorporation, a series of Preferred Stock,

par value $1.00 per share, of the Corporation be and it hereby is created, and that the designation and amount thereof and the voting powers, preferences and relative, participating, optional and other special rights of the shares of such series, and the qualifications, limitations or restrictions thereof are as follows:

Section 1. Designation and Amount. The shares of such series shall be designated as "Series A Junior Preferred Stock" (the "Series Preferred Stock") and the number of shares constituting such series shall be 450,000.

Section 2. Dividends and Distributions.

(A) The holders of shares of Series Preferred Stock shall be entitled to receive, when, as and if declared by the Board of Directors out of funds legally available for the purpose, quarterly dividends payable in cash on the fifteenth day of March, June, September and December in each year (each such date being referred to herein as a "Quarterly Dividend Payment Date"), commencing on the first Quarterly Dividend Payment Date after the first issuance of a share or fraction of a share of Series Preferred Stock, in an amount per share (rounded to the nearest cent) equal to the greater of (a) $20.00, or (b) subject to the provision for adjustment hereinafter set forth, 100 times the aggregate per share amount of all cash dividends, and 100 times the aggregate per share amount (payable in kind) of all non-cash dividends or other distributions other than a dividend payable in shares of Common Stock or a subdivision of the outstanding shares of Common Stock (by reclassification or otherwise), declared on the Common Stock of the Corporation (the "Common Stock") since the immediately preceding Quarterly Dividend Payment Date, or, with respect to the first Quarterly Dividend Payment Date, since the first issuance of any share or fraction of a share of Series Preferred Stock. In the event the Corporation shall at any time declare or pay any dividend on Common Stock payable in shares of Common Stock, or effect a subdivision or combination or consolidation of the outstanding shares of Common Stock (by reclassification or otherwise than by payment of a dividend in shares of Common Stock) into a greater or lesser number of shares of Common Stock, then in each of those cases the multiplier set forth in clause (b) of the preceding sentence shall be adjusted by multiplying such multiplier by a fraction the numerator of which is the number of shares of Common Stock outstanding immediately after such event and the denominator of which is the number of shares of Common Stock that were outstanding immediately prior to such event.

The Corporation shall declare a dividend or distribution on the Series Preferred Stock as provided in this paragraph (A) immediately after it declares a dividend or distribution on the Common Stock (other than a dividend payable in shares of Common Stock); provided that, in the event no dividend or distribution shall have been declared on the Common Stock during the period between any Quarterly Dividend Payment Date and the next subsequent Quarterly Dividend Payment Date, a dividend of $20.00 per share on the Series Preferred Stock shall nevertheless be payable on such subsequent Quarterly Dividend Payment Date.

Dividends shall begin to accrue and be cumulative on outstanding shares of Series Preferred Stock from the Quarterly Dividend Payment Date next preceding the date of issue of such shares of Series Preferred Stock, unless the date of issue of such shares is prior to the record date for the first Quarterly Dividend Payment Date, in which case dividends on such shares shall begin to accrue from the date of issue of such shares, or unless the date of issue is a Quarterly Dividend Payment Date or is a date after the record date for the determination of holders of shares of Series Preferred Stock entitled to receive a quarterly dividend and before such Quarterly Dividend Payment Date, in either of which events such dividends shall begin to accrue and be cumulative from such Quarterly Dividend Payment Date. Accrued but unpaid dividends shall not bear interest. Dividends paid on the shares of Series Preferred Stock in an amount less than the total amount of such dividends at the time accrued and payable on such shares shall be allocated pro rata on a share-by-share basis among all such shares at the time outstanding. The Board of Directors may fix a record date for the determination of holders of shares of Series Preferred Stock entitled to receive payment of a dividend or distribution declared thereon, which record date shall be no more than 60 days prior to the date fixed for the payment thereof.

Section 3. Voting Rights. The holders of shares of Series

Preferred Stock shall have the following voting rights:

(A) Subject to the provision for adjustment hereinafter set forth, each share of Series Preferred Stock shall entitle the holder thereof to 100 votes on all matters submitted to a vote of the stockholders of the Corporation. In the event the Corporation shall at any time declare or pay any dividend on Common Stock payable in shares of Common Stock; or effect a subdivision or combination of the outstanding shares of Common Stock (by reclassification or otherwise) into a greater or lesser number of shares of Common Stock, then in each such case the number of votes per share to which holders of shares of Series Preferred Stock were entitled immediately prior to such event shall be adjusted by multiplying such number by a fraction the numerator of which is the number of shares of Common Stock outstanding immediately after such event and the denominator of which is the number of shares of Common Stock that were outstanding immediately prior to such event.

(B) Except as otherwise provided herein or by law, the holders of shares of Series Preferred Stock and the holders of shares of Common Stock shall vote together as one class on all matters submitted to a vote of stockholders of the Corporation.

(C) (i) If at any time dividends on any Series Preferred Stock shall be in arrears in an amount equal to six quarterly dividends thereon, the occurrence of such contingency shall mark the beginning of a period (herein called a "default period") which shall extend until such time when all accrued and unpaid dividends for all previous quarterly dividend periods and for the current quarterly dividend period on all shares of Series Preferred Stock then outstanding shall have been declared and paid or set apart for payment. During each default period, the holders of Preferred Stock, voting as a class, irrespective of series, shall have the right to elect two Directors, which Directors shall be in addition to the then otherwise authorized number of Directors.

(ii) During any default period, such voting right of the holders of Series Preferred Stock may be exercised initially at a special meeting called pursuant to subparagraph (iii) of this Section 3(C) or at any annual meeting of stockholders, provided that such voting right shall not be exercised unless the holders of 25% in number of shares of Preferred Stock outstanding shall be present in person or by proxy. The absence of a quorum of the holders of Common Stock shall not affect the exercise by the holders of Preferred Stock of such voting right. After the holders of the Preferred Stock shall have exercised their right to elect Directors in any default period and during the continuance of such period, the number of Directors shall not be increased or decreased except by vote of the holders of Preferred Stock as herein provided.

(iii) Unless the holders of Preferred Stock shall, during an existing default period, have previously exercised their right to elect Directors, the Board of Directors may order, or any stockholder or stockholders owning in the aggregate not less than 10% of the total number of shares of Preferred Stock outstanding, irrespective of series, may request, the calling of a special meeting of the holders of Preferred Stock, which meeting shall thereupon be called by the Chairman of the Board, the President, a Vice-President or the Secretary of the Corporation. Notice of such meeting and of any annual meeting at which holders of Preferred Stock are entitled to vote pursuant to this paragraph (C)(iii) shall be given to each holder of record of Preferred Stock by mailing a copy of such notice to him at his last address as the same appears on the books of the Corporation. Such meeting shall be called for a time not earlier than 20 days and not later than 60 days after such order or request or in default of the calling of such meeting within 60 days after such order or request, such meeting may be called on similar notice by any stockholder or stockholders owning in the aggregate not less than 10% of the total number of shares of Preferred Stock outstanding. Notwithstanding the provisions of this paragraph (C)(iii), no such special meeting shall be called during the period within 60 days immediately preceding the date fixed for the next annual

meeting of the stockholders.

(iv) In any default period the holders of Common Stock, and other classes of stock of the Corporation, if applicable, shall continue to be entitled to elect the whole number of Directors then otherwise authorized.

(v) The Directors elected by the holders of Preferred Stock shall continue in office until the next annual meeting of stockholders and until their successors shall have been elected by such holders or until the expiration of the default period. Any vacancy in the Board of Directors may be filled by vote of a majority of the remaining Directors theretofore elected by the holders of the class of stock which elected the Director whose office shall have become vacant. References in this paragraph (C) to Directors elected by the holders of a particular class of stock shall include Directors elected by such Directors to fill vacancies as provided in the foregoing sentence.

(vi) Immediately upon the expiration of a default period, (x) the right of the holders of Preferred Stock as a class to elect Directors shall cease, (y) the term of any Directors elected by the holders of Preferred Stock as a class shall terminate, and (z) the number of Directors shall be such number as may then be authorized by the Board of Directors.

(D) Except as set forth herein, holders of Series Preferred Stock shall have no special voting rights and their consent shall not be required (except to the extent they are entitled to vote with holders of Common Stock as set forth herein) for taking any corporate action.

Section 4. Certain Restrictions.

(A) Whenever quarterly dividends or other dividends or distributions payable on the Series Preferred Stock as provided in Section 2 are in arrears, thereafter and until all accrued and unpaid dividends and distributions, whether or not declared, on shares of Series Preferred Stock outstanding shall have been paid in full, the Corporation shall not

(i) declare or pay dividends on, make any other distributions on, or redeem or purchase or otherwise acquire for consideration any shares of stock ranking junior (either as to dividends or upon liquidation, dissolution or winding up) to the Series Preferred Stock;

(ii) declare or pay dividends on or make any other distributions on any shares of stock ranking on a parity (either as to dividends or upon liquidation, dissolution or winding up) with the Series Preferred Stock, except dividends paid ratably on the Series Preferred Stock and all such parity stock on which dividends are payable or in arrears in proportion to the total amounts to which the holders of all such shares are then entitled;

(iii) redeem or purchase or otherwise acquire for consideration shares of any stock ranking on a parity (either as to dividends or upon liquidation, dissolution or winding up) with the Series Preferred Stock, provided that the Corporation may at any time redeem, purchase or otherwise acquire shares of any such parity stock in exchange for shares of any stock of the Corporation ranking junior (either as to dividends or upon dissolution, liquidation or winding up) to the Series Preferred Stock; or

(iv) purchase or otherwise acquire for consideration any shares of Series Preferred Stock, or any shares of stock ranking on a parity with the Series Preferred Stock, except in accordance with a purchase offer made in writing or by publication (as determined by the Board of Directors) to all holders of such shares upon such terms as the Board of Directors, after consideration of the respective annual dividend rates and other relative rights and preferences of the respective series and classes, shall determine in good faith will result in fair and equitable treatment among the respective series or classes.

(B) The Corporation shall not permit any subsidiary of the Corporation to purchase or otherwise acquire for consideration any shares of stock of the Corporation unless the Corporation could, under paragraph (A) of this Section 4, purchase or otherwise acquire such shares at such time and in such manner.

Section 5. Reacquired Shares. Any shares of Series Preferred Stock purchased or otherwise acquired by the Corporation in any manner whatsoever shall be retired and cancelled promptly after the acquisition thereof. All such shares shall upon their cancellation become authorized but unissued shares of Preferred Stock and may be reissued as part of a new series of Preferred Stock to be created by resolution or resolutions of the Board of Directors, subject to the conditions and restrictions on issuance set forth herein.

Section 6. Liquidation, Dissolution or Winding Up. Upon any voluntary liquidation, dissolution or winding up of the Corporation, no distribution shall be made (1) to the holders of shares of stock ranking junior (either as to dividends or upon liquidation, dissolution or winding up) to the Series Preferred Stock unless, prior thereto, the holders of shares of Series Preferred Stock shall have received $125.00 per share, plus an amount equal to accrued and unpaid dividends and distributions thereon, whether or not declared, to the date of such payment, provided that the holders of shares of Series Preferred Stock shall be entitled to receive an aggregate amount per share, subject to the provision for adjustment hereinafter set forth, equal to 100 times the aggregate amount to be distributed per share to holders of Common Stock, or (2) to the holders of stock ranking on a parity (either as to dividends or upon liquidation, dissolution or winding up) with the Series Preferred Stock, except distributions made ratably on the Series Preferred Stock and all other such parity stock in proportion to the total amounts to which the holders of all such shares are entitled upon such liquidation, dissolution or winding up. In the event the Corporation shall at any time declare or pay any dividend on Common Stock payable in shares of Common Stock, or effect a subdivision or combination or consolidation of the outstanding shares of Common Stock (by reclassification or otherwise than by payment of a dividend in shares of Common Stock) into a greater or lesser number of shares of Common Stock, then in each such case the aggregate amount to which holders of shares of Series Preferred Stock were entitled immediately prior to such event under the proviso in clause (1) of the preceding sentence shall be adjusted by multiplying such amount by a fraction the numerator of which is the number of shares of Common Stock outstanding immediately after such event and the denominator of which is the number of shares of Common Stock that were outstanding immediately prior to such event.

Section 7. Consolidation, Merger, etc. In case the Corporation shall enter into any consolidation, merger, combination or other transaction in which the shares of Common Stock are exchanged for or changed into other stock or securities, cash and/or any other property, then in any such case the shares of Series Preferred Stock shall at the same time be similarly exchanged or changed in an amount per share (subject to the provision for adjustment hereinafter set forth) equal to 100 times the aggregate amount of stock, securities, cash and/or any other property (payable in kind), as the case may be, into which or for which each share of Common Stock is changed or exchanged. In the event the Corporation shall at any time declare or pay any dividend on Common Stock payable in shares of Common Stock, or effect a subdivision or combination or consolidation of the outstanding shares of Common Stock (by reclassification or otherwise than by payment of a dividend in shares of Common Stock) into a greater or lesser number of shares of Common Stock, then in each such case the amount set forth in the preceding sentence with respect to the exchange or change of shares of Series Preferred Stock shall be adjusted by multiplying such amount by a fraction the numerator of which is the number of shares of Common Stock outstanding immediately after such event and the denominator of which is the number of shares of Common Stock that were outstanding immediately prior to such event.

Section 8. No Redemption. The shares of Series Preferred Stock shall not be redeemable.

Section 9. Amendment. The Certificate of Incorporation of the Corporation shall not be amended in any manner which would materially alter or change the powers, preferences or special rights of the Series

Preferred Stock so as to affect them adversely without the affirmative vote of the holders of two-thirds or more of the outstanding shares of Series Preferred Stock, voting together as a single class.

FIFTH: The Corporation is to have perpetual existence.

SIXTH: The private property of the stockholders of the Corporation shall not be subject to the payment of corporate debts to any extent whatever.

SEVENTH: The number of directors which shall constitute the whole Board of Directors shall be fixed by, or in the manner provided in, the By-laws; provided that in no event shall the total number of directors be less than five or more than fifteen. The Board of Directors shall be divided into three classes as nearly equal in number as may be, with the term of office of one class expiring each year, and at the annual meeting of stockholders in 1970 directors of the first class shall be elected to hold office for a term expiring at the next succeeding annual meeting; directors of the second class shall be elected to hold office for a term expiring at the second succeeding annual meeting; and directors of the third class shall be elected to hold office for a term expiring at the third succeeding annual meeting. When the number of directors is changed, any newly created directorships or any decrease in directorships shall be so apportioned among the classes as to make all classes as nearly equal in number as possible. When the number of directors is increased by the Board of Directors and any newly created directorships are filled by the Board of Directors, there shall be no classification of the additional directors until the next annual meeting of stockholders.

Subject to the foregoing, at each annual meeting of stockholders the successors to the class of directors whose term shall then expire shall be elected to hold office for a term expiring at the third succeeding annual meeting.

EIGHTH: The following additional provisions are inserted for the regulation of the business and for the conduct of the affairs of the Corporation and its directors and stockholders:

(a) Subject to the provisions of Article SEVENTH, the Board of Directors shall have power to make, alter, amend or repeal the By-laws of the Corporation without the assent or vote of the stockholders.

(b) The Board of Directors, in addition to the powers and authority expressly conferred upon it hereinbefore and by statute and by the By-laws, is hereby empowered to exercise all such powers as may be exercised by the Corporation, subject nevertheless to the provisions of the Statutes of the State of Delaware, of this Certificate of Incorporation, and to any regulations that may from time to time be made by the stockholders, provided that no regulations so made shall invalidate any provisions of this Certificate of Incorporation or any power or act of the Board of Directors which would have continued valid if such regulation had not been made.

NINTH: (a) Except as set forth in part (b) of this Article NINTH, the affirmative vote or consent of the holders of shares of all classes of stock of the Corporation possessing four-fifths of the voting rights in elections of directors, considered for the purposes of this Article NINTH as one class, shall be required (i) for the adoption of any agreement for the merger or consolidation of the Corporation with or into any Other Corporation (as hereinafter defined), or (ii) to authorize any sale, lease, exchange, mortgage, pledge or other disposition of all, or substantially all, or any Substantial Part (as hereinafter defined) of the assets of the Corporation or any Subsidiary (as hereinafter defined) to any Other Corporation, or (iii) to authorize the issuance or transfer by the Corporation of any Substantial Amount (as hereinafter defined) of securities of the Corporation in exchange for the securities or assets of any Other Corporation. Such affirmative vote or consent shall be in addition to the vote or consent of the holders of the stock of the Corporation otherwise required by law, this Certificate of Incorporation or any agreement or contract to which the Corporation is a party.

(b) The provisions of part (a) of this Article NINTH shall not be applicable to any transaction described therein if such transaction is approved by resolution of the Board of Directors of the Corporation, provided that a majority of the members of the Board of Directors voting

for the approval of such transaction were duly elected and acting members of the Board of Directors prior to the time any such Other Corporation may have become a Beneficial Owner (as hereinafter defined) of shares of stock of the Corporation possessing more than 10% of the voting rights in elections of directors.

(c) For purposes of part (b) of this Article NINTH, the Board of Directors shall have the power and duty to determine for the purposes of this Article NINTH, on the basis of information known to such Board, if and when any Other Corporation is the Beneficial Owner of more than 10% of the outstanding shares of stock of the Corporation entitled to vote in elections of directors. Any such determination shall be conclusive and binding for all purposes of this Article NINTH.

(d) As used in this Article NINTH, the following terms shall have the meanings as set forth below:

"Other Corporation" means any person, firm, corporation or other entity, other than a Subsidiary of the Corporation.

"Substantial Part" means any assets having a then fair market value, in the aggregate, of more than $5,000,000.

"Subsidiary" means any corporation in which the Corporation owns, directly or indirectly, more than 50% of the voting securities.

"Substantial Amount" means any securities of the Corporation having a then fair market value of more than $5,000,000.

"Beneficial Owner" of stock means a person, or an "affiliate" or "associate" of such person (as such terms are defined in Rule 12b-2 of the General Rules and Regulations under the Securities Exchange Act of 1934 as in effect on March 1, 1970), who directly or indirectly controls the voting of such stock, or who has any option, warrants, conversion or other rights to acquire such stock.

TENTH: The Corporation reserves the right to amend, alter, change or repeal any provision contained in this Certificate of Incorporation, in the manner now or hereafter prescribed by statute, and all rights conferred upon stockholders herein are granted subject to this reservation; provided that no amendment to this Certificate of Incorporation shall amend, alter, change or repeal any of the provisions of Article SEVENTH or Article NINTH or this Article TENTH, unless the amendment effecting such amendment, alteration, change or repeal shall receive the affirmative vote or consent of the holders of shares of all classes of stock of this Corporation possessing four-fifths of the voting rights in elections of directors, considered for this purpose as one class.

ELEVENTH: (a) The provisions of this Article ELEVENTH shall apply independently of any other provision of this Restated Certificate of Incorporation if any Other Corporation (as hereinafter defined) seeks to accomplish a Business Combination (as hereinafter defined) following the date the Acquiring Entity (as hereinafter defined) becomes an Acquiring Entity.

(b) (1) As used in Article ELEVENTH, the following terms shall have the meanings set forth below:

"Acquiring Entity" means any Other Corporation which is the Beneficial Owner of more than 10% of the outstanding shares of stock of the Corporation entitled to vote in elections of directors.

"Beneficial Owner" of stock means a person or an "affiliate" or "associate" of such person (as such terms are defined in Rule 12b-2 of the General Rules and Regulations ["Regulations"] under the Securities Exchange Act of 1934 as in effect on January 1, 1984) who is a "beneficial owner" of stock, as that term is defined under Rule 13d-3 of the Regulations as in effect on January 1, 1984, together with successors or

assigns of that person.

"Business Combination" means any merger or consolidation of the Corporation with or into any Acquiring Entity (or any affiliate of any Acquiring Entity), any sale, lease, exchange, mortgage, pledge or other disposition of all, or any Substantial Part (that is, assets having a then fair market value in the aggregate of more than $5,000,000) of the assets of the Corporation or any subsidiary of the Corporation, to any Acquiring Entity (or any affiliate of any Acquiring Entity), or any issuance or transfer by the Corporation of any Substantial Amount (that is, any securities of the Corporation having a then fair market value of more than $5,000,000) of securities of the Corporation in exchange for the securities or assets of any Acquiring Entity (or any affiliate of any Acquiring Entity).

"Continuing Director" means a director duly elected to the Board of Directors prior to the time the Acquiring Entity becomes an Acquiring Entity, or a person recommended to succeed a Continuing Director by a majority of the Continuing Directors.

"Other Corporation" means any person, firm, corporation or other entity, other than a subsidiary of the Corporation.

(2) For purposes of this Article ELEVENTH, the Board of Directors shall have the power and duty to determine, on the basis of information known to the Board, if and when any Other Corporation is or has become an Acquiring Entity. Any such determination shall be conclusive and binding for all purposes of this Article ELEVENTH.

(c) The affirmative vote or consent of holders of 67% of the shares of all classes of stock of the Corporation entitled to vote for directors, considered for the purpose of this Article ELEVENTH as one class, other than voting stock of which the Acquiring Entity is the Beneficial Owner, shall be required for approval of any Business Combination with any Acquiring Entity (or any affiliate of any Acquiring Entity), unless all of the following conditions are fulfilled:

(1) The cash or fair market value of other consideration to be received per share by common stockholders of the Corporation in the Business Combination will not, at the time the Business Combination is effected, be less than the greater of:

(A) the highest per share price, including brokerage commissions and/or soliciting dealers' fees (with appropriate adjustments for recapitalizations and for stock splits, stock dividends and like distributions), paid by the Acquiring Entity at any time in acquiring any of its holdings of the Corporation's Common Stock; or

(B) the highest per share price quoted in any market in which the Corporation's Common Stock is traded during the 12 months immediately prior to the public announcement of the Business Combination.

(d) In connection with a proposed Business Combination, the Continuing Directors may retain special outside legal counsel, an investment banking firm, or such other experts as they, in their discretion, may deem necessary or appropriate to assist them in their evaluation of the Business Combination. In the event that an investment banking firm is retained by the Continuing Directors to give an opinion as to the value of the other consideration or as to the fairness (or lack of fairness) of the terms of any Business Combination from the point of view of the remaining public stockholders of the Corporation or otherwise, any proxy statement required to be mailed to the public stockholders of the Corporation shall contain in a prominent place at the front of the proxy statement any recommendation of the Continuing Directors as to the advisability (or inadvisability) of the Business Combination. If the Continuing Directors so determine, the opinion of the investment banking

firm shall also be included in the proxy statement. All fees and expenses of outside legal counsel, any investment banking firm or other expert selected by the Continuing Directors shall be paid by the Corporation.

(e) In addition to any other provision of this Restated Certificate of Incorporation or By-laws, there shall be required to amend, alter, change or repeal, directly or indirectly, this Article ELEVENTH the affirmative vote or consent of 80% of the shares of all classes of stock of the Corporation entitled to vote for directors, considered for the purpose of this Article ELEVENTH as one class.

(f) Nothing contained in this Article ELEVENTH shall be construed to relieve any Acquiring Entity from any fiduciary obligation imposed by law. The conditions and voting requirements of this Article ELEVENTH shall be in addition to the conditions and voting requirements imposed by law or other provisions of this Restated Certificate of Incorporation, including, without limitation, the conditions and voting requirements imposed by Article NINTH.

TWELFTH: A director of the Corporation shall not be personally liable to the Corporation or its shareholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the director's duty of loyalty to the Corporation or its shareholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the General Corporation Law of the State of Delaware or (iv) for any transaction from which the director derived an improper personal benefit.

If the General Corporation Law of the State of Delaware is amended after approval of this Article by the shareholders to authorize the further elimination or limitation of the liability of directors, then the liability of directors shall be eliminated or limited to the full extent authorized by the General Corporation Law of the State of Delaware, as so amended.

Any repeal or modification of this Article shall not adversely affect any right or protection of a director of the Corporation existing at the time of such repeal or modification.

5. The capital of said Corporation will not be reduced under or by reason of any amendment in this Restated Certificate of Incorporation.

INDEMNIFICATION AGREEMENT

This Agreement is entered into and effective this _____ day of _____, 1997, by and between Snap-on Incorporated, a Delaware corporation (the "Company"), and _____ ("Indemnitee").

WHEREAS, highly competent persons are becoming more reluctant to serve publicly-held corporations as directors or officers unless they are provided with adequate protection through insurance and adequate indemnification against inordinate risks of claims and actions against them arising out of their service to and activities on behalf of the corporation;

WHEREAS, Indemnitee is a director or officer of the Company;

WHEREAS, both the Company and Indemnitee recognize the increased risk of litigation and other claims being asserted against directors and officers of public companies in today's environment;

WHEREAS, the current impracticability of obtaining adequate insurance and the uncertainties relating to indemnification have increased the difficulty of attracting and retaining such persons;

WHEREAS, the Board of Directors of the Company has determined that the inability to attract and retain such persons would be detrimental to the best interests of the Company and its stockholders and that the Company should act to assure such persons that there will be increased certainty of such protection in the future;

WHEREAS, the By-laws of the Company require the Company to indemnify and advance expenses to its directors and officers to the fullest extent permitted by law and the Indemnitee has been serving and continues to serve as a director or officer of the Company in part in reliance on such By-laws; and

WHEREAS, in recognition of Indemnitee's need for substantial protection against personal liability so that Indemnitee may continue to serve the Company free from undue concern for litigation claims for damages arising out of or related to the performance of such service, the increasing difficulty in obtaining satisfactory director and officer liability insurance coverage, and Indemnitee's reliance on the aforesaid By-laws, and in part to provide Indemnitee with specific contractual assurance that the protection promised by such By-laws will be available to Indemnitee (regardless of, among other things, any amendment to or revocation of such By-laws, or any change in the composition of the Company's Board of Directors, or any acquisition transaction relating to the Company), it is reasonable, prudent and necessary for the Company to provide in this Agreement for the indemnification of and the advancing of expenses to Indemnitee to the fullest extent (whether partial or complete) permitted by law and as set forth in this Agreement, and, to the extent insurance is maintained, for the continued coverage of Indemnitee under the Company's directors' and officers' liability insurance policies.

NOW, THEREFORE, in consideration of the foregoing premises and of Indemnitee continuing to serve the Company directly or, at its request, another enterprise, and intending to be legally bound hereby, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

For the purposes of this Agreement, the following terms shall have the meaning given here:

I.1. "Board" shall mean the Board of Directors of the Company.

1.2. "Change in Control" shall be deemed to have occurred if (i) any "person" (as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended), other than a trustee or other fiduciary holding securities under an employee benefit plan of the Company or a corporation owned directly or indirectly by the stockholders

of the Company in substantially the same proportions as their ownership of stock of the Company, is or becomes the "beneficial owner" (as defined in Rule 13d-3 under said Act), directly or indirectly, of securities of the Company representing 15% or more of the total voting power represented by the Company's then outstanding Voting Securities, or (ii) during any period of two consecutive years, individuals who at the beginning of such period constitute the Board of Directors of the Company and any new director whose election by the Board of Directors or nomination for election by the Company's stockholders was approved by a vote of at least two-thirds (2/3) of the directors then still in office who either were directors at the beginning of the period or whose election or nomination for election was previously so approved, cease for any reason to constitute a majority thereof, or (iii) the stockholders of the Company approve a merger or consolidation of the Company with any other corporation other than a merger or consolidation which would result in the Voting Securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into Voting Securities of the surviving entity) at least 85% of the total voting power represented by the Voting Securities of the Company or such surviving entity outstanding immediately after such merger or consolidation, or the stockholders of the Company approve a plan of complete liquidation of the Company or an agreement for the sale or disposition by the Company of (in one transaction or a series of transactions) all or substantially all the Company's assets.

1.3. "Corporate Status" describes the status of a person who is or was a director, officer, employee, trustee, agent or fiduciary of the Company or of any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise which such person is or was serving at the express written request of the Company.

1.4. "Disinterested Director" means a director of the Company who is not and was not a party to the Proceeding in respect of which indemnification is sought by Indemnitee.

1.5. "Enterprise" shall mean the Company and any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise of which Indemnitee is or was serving at the express written request of the Company as a director, officer, employee, agent or fiduciary.

1.6. "Expenses" shall include all attorneys' fees, retainers, court costs, transcript costs, fees of experts, witness fees, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees, and all other disbursements, costs, expenses and obligations paid or incurred in connection with investigating, prosecuting, defending, being a witness in, or participating in (including on appeal), or preparing to prosecute, defend, be a witness in, or participate in, any Proceeding relating to any Indemnifiable Event.

1.7. "Good Faith" shall mean Indemnitee having acted in good faith and in a manner Indemnitee reasonably believed to be in or not opposed to the best interests of the Company, and, with respect to any criminal Proceeding, having had no reasonable cause to believe Indemnitee's conduct was unlawful.

1.8. "Indemnifiable Event" shall mean any event or occurrence (including events or occurrences prior to the date hereof) related to the fact that Indemnitee is or was a director, officer, employee, agent or fiduciary of the Company or another Enterprise, or by reason of anything done or not done by Indemnitee in any such capacity.

1.9. "Independent Legal Counsel" shall mean an attorney or firm of attorneys, selected in accordance with the provisions of Section 7.1, who shall not have otherwise performed services for the Company or Indemnitee within the last five years (other than with respect to matters concerning the rights of Indemnitee under this Agreement, or of other indemnitees under similar indemnity agreements).

1.10. "Potential Change in Control" shall be deemed to have occurred if (i) the Company enters into an agreement, the consummation of which would result in the occurrence of a Change in Control; (ii) any person (including the Company) publicly announces an intention to take or to consider taking actions which if consummated would constitute a Change

in Control; or (iii) the Board adopts a resolution to the effect that, for purposes of this Agreement, a Potential Change in Control has occurred.

1.11. "Proceeding" includes any action, suit, arbitration, alternate dispute resolution mechanism, investigation, administrative hearing or any other actual, threatened or completed proceeding whether civil, criminal, administrative or investigative.

1.12. "Voting Securities" shall mean any securities of the Company which vote generally in the election of directors.

ARTICLE II

INDEMNIFICATION

Section II.1. In General. The Company shall indemnify and advance Expenses to Indemnitee in connection with any Proceeding by reason of (or arising in part out of) an Indemnifiable Event as provided in this Agreement and to the fullest extent permitted by applicable law in effect on the date hereof and to such greater extent as applicable law may thereafter from time to time permit. Prior to a Change in Control, Indemnitee shall not be entitled to indemnification (including any advancement of Expenses) pursuant to this Agreement in connection with any Proceeding initiated by Indemnitee unless either (i) the Board of Directors has authorized or consented to the initiation of such Proceeding or (ii) such Proceeding seeks to enforce Indemnitee's rights under this Agreement.

Section II.2. Basic Indemnification Arrangement. If Indemnitee was or is a party or is threatened to be made a party to any Proceeding by reason of (or arising in part out of) an Indemnifiable Event, the Company shall indemnify Indemnitee to the fullest extent permitted by law as soon as practicable but in any event no later than thirty (30) days after written demand is presented to the Company, against any and all Expenses, judgments, fines, ERISA excise taxes or penalties, and amounts paid in settlement (including all interest, assessments, and other charges paid or payable in connection with or in respect of such Expenses) incurred by or for him in connection with the investigation, defense, settlement or appeal of such Proceeding or any claim, issue or matter therein if Indemnitee acted in Good Faith. If so requested by Indemnitee, the Company shall advance (within two (2) business days of such request) any and all Expenses to Indemnitee (an "Expense Advance"). The obligation of the Company to make an Expense Advance pursuant to this Section 2.2 shall be subject to the condition that, if, when and to the extent that it is determined by the forum selected by Indemnitee pursuant to Section 4.3 that Indemnitee would not be permitted to be so indemnified under applicable law, the Company shall be entitled to be reimbursed by Indemnitee (who hereby agrees to reimburse the Company) for all such amounts theretofore paid; provided that the Company's obligation to make the Expense Advances under this Section 2.2 or any advance of Expenses under Article III shall not be qualified or conditioned in any manner by the Company on the Indemnitee's ability to reimburse the Company; and provided, further, that if Indemnitee has commenced or thereafter commences legal proceedings in a court of competent jurisdiction to secure a determination that Indemnitee should be indemnified under applicable law, any determination made by such forum that Indemnitee would not be permitted to be indemnified under applicable law shall not be binding and Indemnitee shall not be required to reimburse the Company for any Expense Advance until a final judicial determination is made with respect thereto (as to which all rights of appeal therefrom have been exhausted or lapsed).

Section II.3. Indemnification of a Party Who is Wholly or Partly Successful. Notwithstanding any other provision of this Agreement, to the extent that Indemnitee is, by reason of an Indemnifiable Event, a party to and is successful, on the merits or otherwise, in any Proceeding, Indemnitee shall be indemnified to the maximum extent permitted by law, against any and all Expenses and liabilities of any type whatsoever (including, but not limited to, judgments, fines, ERISA excise taxes or penalties, and amounts paid in settlement) actually and reasonably incurred by or for him in connection therewith. If Indemnitee is not wholly successful in such Proceeding but is successful, on the merits or otherwise, as to one or more but less than all claims, issues or matters in such Proceeding, the Company shall indemnify Indemnitee to the maximum

extent permitted by law, against all Expenses and liabilities of any type whatsoever (including, but not limited to, judgments, fines, ERISA taxes or penalties, and amounts paid in settlement) actually and reasonably incurred by or for him in connection with each successfully resolved claim, issue or matter. For purposes of this Section 2.3 and without limitation, the termination of any claim, issue or matter in such a Proceeding by dismissal, with or without prejudice, shall be deemed to be a successful result as to such claim, issue or matter, so long as there has been no finding (either adjudicated or pursuant to Article IV) that Indemnitee did not act in Good Faith.

ARTICLE III

INDEMNIFICATION AND ADVANCEMENT FOR ADDITIONAL EXPENSES

Notwithstanding any other provision in this Agreement to the contrary, the Company shall indemnify Indemnitee against any and all Expenses (including attorney's fees) and, if requested by Indemnitee, shall (within two (2) business days of such request) advance such Expenses to Indemnitee, which are incurred by Indemnitee in connection with (i) any hearing or proceeding under Article IV involving Indemnitee and against all Expenses incurred by Indemnitee in connection with any other action between the Company and Indemnitee involving the interpretation or enforcement of the rights of Indemnitee under this Agreement and/or (ii) any action brought by Indemnitee for recovery under any directors' and officers' liability insurance policies maintained by the Company, regardless of whether Indemnitee ultimately is determined to be entitled to such indemnification, advance expense payment or insurance recovery, as the case may be. The obligation of the Company to make the expense advance pursuant to this Article III shall be subject to the condition that if, when and to the extent that a final judicial determination is made that Indemnitee would not be permitted to be so indemnified under applicable law, the Company shall be entitled to be reimbursed by Indemnitee (who hereby agrees to reimburse the Company) for all such amounts theretofore paid.

ARTICLE IV

DETERMINATION OF RIGHT TO INDEMNIFICATION

Section IV.1. No Determination Necessary when Indemnitee was Successful. To the extent Indemnitee has been successful on the merits or otherwise in defense of any Proceeding referred to in Section 2.2 of this Agreement or in the defense of any claim, issue or matter described therein, the Company shall indemnify Indemnitee against Expenses incurred by or for Indemnitee in connection with the investigation, defense, or appeal of such Proceeding.

Section IV.2. Determination of Good Faith. In the event that Section 4.1 is inapplicable, the Company shall also indemnify Indemnitee unless, and only to the extent that, the Company shall prove by clear and convincing evidence to a forum listed in Section 4.3 below that Indemnitee did not act in Good Faith.

Section IV.3. Forum for Determination. Indemnitee shall be entitled to select the forum in which the validity of the Company's claim under Section 4.2 hereof that Indemnitee is not entitled to indemnification will be heard from among the following:

(a) A committee of the Disinterested Directors, even though the Disinterested Directors be less than a quorum;

(b) The stockholders of the Company;

(c) Legal counsel selected by Indemnitee, and reasonably approved by the Board, which counsel shall make such determination in a written opinion; or

(d) A panel of three arbitrators, one of whom is selected by the Company, another of whom is selected by Indemnitee and the last of whom is selected by the first two arbitrators so selected.

As soon as practicable, and in no event later than thirty (30) days after written notice of Indemnitee's choice of forum pursuant to this Section

4.3, the Company shall, at its own expense, submit to the selected forum in such manner as Indemnitee or Indemnitee's counsel may reasonably request, its claim that Indemnitee is not entitled to indemnification, and the Company shall act in the utmost Good Faith to assure Indemnitee a complete opportunity to defend against such claim.

Section IV.4. Right to Appeal. In the case of a determination by any forum listed in Section 4.3 hereof that Indemnitee is not entitled to whole or partial indemnification with respect to a specific Proceeding, or a failure by any such forum to make any determination, Indemnitee shall have the right to apply to the court in which that Proceeding is or was pending for the purpose of enforcing Indemnitee's right to indemnification pursuant to this Agreement or to commence litigation in any court in the States of Wisconsin or Delaware having subject matter jurisdiction thereof and in which venue is proper seeking an initial determination by the court or challenging any such determination by such forum or any aspect thereof, including the legal or factual bases therefor, and the Company hereby consents to service of process and to appear in any such proceeding. Any determination such forum otherwise shall be conclusive and binding on the Company and Indemnitee.

ARTICLE V

PRESUMPTIONS AND EFFECT OF CERTAIN PROCEEDINGS

Section V.1. Burden of Proof. In making a determination with respect to entitlement to indemnification hereunder, the person or persons or entity making such determination shall presume that Indemnitee is entitled to indemnification under this Agreement and the Company shall have the burden of proof to overcome that presumption in connection with the making by any person, persons or entity of any determination contrary to that presumption.

Section V.2. Effect of Other Proceedings. The termination of any Proceeding or of any claim, issue or matter therein, by judgment, order, settlement or conviction, or upon a plea of nolo contendere or its equivalent, shall not of itself adversely affect the right of Indemnitee to indemnification or create a presumption that Indemnitee did not act in Good Faith. In addition, neither the failure of any forum listed in Section 4.3 to have made a determination as to whether Indemnitee has met any particular standard of conduct or had any particular belief, nor an actual determination by any such forum that Indemnitee has not met such standard of conduct or did not have such belief, prior to the commencement of legal proceedings by Indemnitee to secure a judicial determination that Indemnitee should be indemnified under applicable law shall be a defense to Indemnitee's claim or create a presumption that Indemnitee has not met any particular standard of conduct or did not have any particular belief.

Section V.3. Reliance as Safe Harbor. For purposes of any determination of Good Faith, Indemnitee shall be deemed to have acted in Good Faith if Indemnitee's action is based on the records or books of account of the Company, including financial statements, or on information supplied to Indemnitee by the officers of the Company in the course of their duties, or on the advice of legal counsel for the Company or on information or records given or reports made to the Company by an independent certified public accountant or by an appraiser or other expert selected with reasonable care by the Company. The provisions of this Section 5.3 shall not be deemed to be exclusive or to limit in any way the other circumstances in which the Indemnitee may be deemed to have met the applicable standard of conduct set forth in this Agreement.

Section V.4. Actions of Others. The knowledge and/or actions, or failure to act, of any director, officer, agent or employee of the Company shall not be imputed to Indemnitee for purposes of determining the right to indemnification under this Agreement.

ARTICLE VI

NON-EXCLUSIVITY, INSURANCE, SUBROGATION, PERIOD OF LIMITATIONS

Section VI.1. Non-Exclusivity. The rights of indemnification and to receive advances of Expenses as provided by this Agreement shall

not be deemed exclusive of any other rights to which Indemnitee may at any time be entitled under applicable law, the Articles of Incorporation, the Bylaws, any agreement, a vote of shareholders or a resolution of directors, or otherwise.

Section VI.2. Insurance. The Company may maintain an insurance policy or policies against liability arising out of this Agreement or otherwise. To the extent that the Company maintains such a policy or policies, Indemnitee shall be covered by such policy or policies, in accordance with its or their terms, to the maximum extent of the coverage available for any Company director or officer.

Section VI.3. Subrogation. In the event of any payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee, who shall execute all papers required and take all action necessary to secure such rights, including execution of such documents as are necessary to enable the Company to bring suit to enforce such rights.

Section VI.4. No Duplicative Payment. The Company shall not be liable under this Agreement to make any payment of amounts otherwise indemnifiable hereunder if and to the extent that Indemnitee has otherwise actually received such payment under any insurance policy, By-law, contract, agreement or otherwise.

Section 6.5. Period of Limitations. No legal action shall be brought and no cause of action shall be asserted by or in the right of the Company against Indemnitee, Indemnitee's spouse, heirs, executors or personal or legal representatives after the expiration of two years from the date of the facts which gave rise to such cause of action, and any claim or cause of action of the Company shall be extinguished and deemed released unless asserted by the timely filing of a legal action within such two-year period; provided, however, that if any shorter period of limitations is otherwise applicable to any such cause of action such shorter period shall govern.

ARTICLE VII

CHANGE IN CONTROL

Section 7.1. Change in Control. The Company agrees that if there is a Change in Control of the Company, then with respect to all matters thereafter arising concerning the rights of Indemnitee to indemnity payments and advances of any Expenses under this Agreement or any other agreement or Company By-Law now or hereafter in effect relating to Proceedings for Indemnifiable Events, the Company shall seek legal advice only from Independent Legal Counsel selected by Indemnitee and approved by the Company (which approval shall not be unreasonably with-held). Such counsel, among other things, shall render its written opinion to the Company and Indemnitee as to whether and to what extent the Indemnitee would be permitted to be indemnified under applicable law. The Company agrees to pay the reasonable fees of the Independent Legal Counsel referred to above and to indemnify fully such counsel against any and all expenses (including attorney's fees), claims, liabilities and damages arising out of or relating to this Agreement or its engagement pursuant hereto.

Section 7.2. Establishment of Trust. In the event of a Potential Change in Control, the Company shall, upon written request by Indemnitee, create a trust for the benefit of Indemnitee and from time to time upon written request of Indemnitee shall fund such trust in an amount sufficient to satisfy any and all Expenses reasonably anticipated at the time of each such request to be incurred in connection with investigating, preparing for and defending any Claim relating to an Indemnifiable Event, and any and all judgments, fines, penalties and settlement amounts of any and all Claims relating to an Indemnifiable Event from time to time actually paid or claimed, reasonably anticipated or proposed to be paid. The amount or amounts to be deposited in the trust pursuant to the foregoing funding obligation shall be determined by the Independent Legal Counsel referred to in Section 7.1. The terms of the trust shall provide that upon a Change in Control (i) the trust shall not be revoked or the principal thereof invaded, without the written consent of the Indemnitee, (ii) the trustee shall advance, within two business days of a request by the Indemnitee, any and all Expenses to the Indemnitee (and the Indemnitee

hereby agrees to reimburse the trust under the circumstances under which the Indemnitee would be required to reimburse the Company under Section 2.2 of this Agreement), (iii) the trust shall continue to be funded by the Company in accordance with the funding obligation set forth above, (iv) the trustee shall promptly pay to Indemnitee all amounts for which Indemnitee shall be entitled to indemnification pursuant to this Agreement or otherwise, and (v) all unexpended funds in such trust shall revert to the Company upon a final determination by any forum listed in Section 4.3 or a court of competent jurisdiction, as the case may be, that Indemnitee has been fully indemnified under the terms of this Agreement. The trustee shall be chosen by Indemnitee. Nothing in this Section 7.2 shall relieve the Company of any of its obligations under this Agreement.

ARTICLE VIII

GENERAL PROVISIONS

Section 8.1. Binding Effect, Etc. This Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties hereto and their respective successors, assigns, including any direct or indirect successor by purchase, merger, consolidation or otherwise to all or substantially all of the business and/or assets of the Company, spouses, heirs, executors and personal and legal representatives. This Agreement shall continue in effect regardless of whether Indemnitee continues to serve as an officer or director of the Company or of any other enterprise at the Company's request.

Section 8.2. Severability. The provisions of this Agreement shall be severable in the event that any of the provisions hereof (including any provision within a single section, paragraph or sentence) are held by a court of competent jurisdiction to be invalid, void or otherwise unenforceable in any respect, and the validity and enforceability of any such provision in every other respect and of the remaining provisions hereof shall not be in any way impaired and shall remain enforceable to the fullest extent permitted by law.

Section 8.3. No Adequate Remedy. The parties declare that it is impossible to measure in money the damages which will accrue to either party by reason of a failure to perform any of the obligations under this Agreement. Therefore, if either party shall institute any action or proceeding to enforce the provisions hereof, such party against whom such action or proceeding is brought hereby waives the claim or defense that such party has an adequate remedy at law, and such party shall not urge in any such action or proceeding the claim or defense that the other party has an adequate remedy at law.

Section 8.4. Identical Counterparts. This Agreement may be executed in one or more counterparts, each of which shall for all purposes be deemed to be an original but all of which together shall constitute one and the same Agreement. Only one such counterpart signed by the party against whom enforceability is sought needs to be produced to evidence the existence of this Agreement.

Section 8.5. Headings. The headings of the paragraphs of this Agreement are inserted for convenience only and shall not be deemed to constitute part of this Agreement or to affect the construction thereof.

Section 8.6. Modification and Waiver. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by both of the parties hereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions hereof (whether or not similar) nor shall such waiver constitute a continuing waiver.

Section 8.7. Notices. All notices, requests, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given if (i) delivered by hand and receipted for by the party to whom said notice or other communication shall have been directed, or (ii) mailed by certified or registered mail with postage prepaid, on the third business day after the date of which it is so mailed:

If to Indemnitee, as shown with Indemnitee's signature below,

If to the Company to:

Snap-on Incorporated
10801 Corporate Drive
Post Office Box 1430
Kenosha, Wisconsin 53141-1430
Attention: President

or to such other address as may have been furnished to Indemnitee by the Company or to the Company by Indemnitee, as the case may be.

Section 8.8. Governing Law. The parties agree that this Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Delaware without application of the conflict of laws principles thereof.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first above written.

THE COMPANY:

By:_____
Robert A. Cornog
Chairman, President and CEO

INDEMNITEE: _____
_____

ADDRESS: 10801 Corporate Drive
Kenosha, WI 53142

Exhibit (12)

COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES
(amounts in thousands)

	1997	1996	1995
Net Earnings	150,366	131,451	113,330
Add (Deduct):			
Income taxes	88,310	77,202	66,559
Minority interest in earnings of consolidated subsidiaries	4,461	-	-
Net Earnings as Defined	243,137	208,653	179,889
Fixed Charges:			
Interest on debt	17,654	12,649	13,327
Interest element of rentals	3,630	3,276	3,036
Total Fixed Charges	21,284	15,925	16,363
Total Adjusted Earnings Available for For Payment of Fixed Charges	264,421	224,578	198,252
Ratio of Earnings to Fixed Charges	12.4	14.1	12.0

For purpose of computing this ratio, "earnings" consist of (a) income from continuing operations before income taxes (adjusted for minority interest) and (b) "fixed charges" consist of interest on debt and the estimated interest portion of rents.

Exhibit (21)

SUBSIDIARIES OF THE CORPORATION

Name	State or other jurisdiction of organization
Consolidated Devices, Inc.	California
CreditCorp SPC, LLC	Wisconsin
Edge Diagnostic Systems	California
Herramientas Eurotools, S.A.	Spain
Hoffman Werkstatt-Technik GmbH	Germany
John Bean Company	Wisconsin
Mitchell Repair Information Company (Joint Venture)	Delaware
Nu-Tech Industries, Inc.	Kentucky
Sioux Tools, Inc.	Iowa
Snap-on Credit Corporation	Wisconsin
Snap-on Equipment Europe	Ireland
Snap-on Financial Services, Inc.	Nevada
Snap-on Global Holdings, Inc.	Delaware
Snap-on Technologies, Inc.	Illinois
Snap-on Tools (Australia) Pty. Ltd.	Australia
Snap-on Tools Company	Wisconsin
Snap-on Tools International, Ltd.	Virgin Islands
Snap-on Tools Japan, K.K.	Japan
Snap-on Tools Limited	United Kingdom
Snap-on Tools of Canada Ltd.	Canada
Sun Electric Deutschland GmbH	Germany
Sun Electric do Brasil	Brazil
Sun Electric Europe B.V.	Netherlands
Sun Electric Nederland B.V.	Netherlands
Sun Electric U.K. Limited	England
Wheeltronic Ltd.	Ontario

<ARTICLE> 5
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THE SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE
CONSOLIDATED FINANCIAL STATEMENTS OF SNAP-ON INCORPORATED AS OF AND FOR THE
YEAR ENDED DECEMBER 30, 1995 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE
TO SUCH FINANCIAL STATEMENTS.
</LEGEND>
<RESTATED>
<MULTIPLIER> 1,000

<PERIOD-TYPE>	YEAR
<FISCAL-YEAR-END>	DEC-30-1995
<PERIOD-START>	JAN-01-1995
<PERIOD-END>	DEC-30-1995
<CASH>	16,211
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<RECEIVABLES>	624,714
<ALLOWANCES>	14,650
<INVENTORY>	250,434
<CURRENT-ASSETS>	946,689
<PP&E>	468,878
<DEPRECIATION>	248,811
<TOTAL-ASSETS>	1,360,973
<CURRENT-LIABILITIES>	336,075
<BONDS>	143,763
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<PREFERRED>	0
<COMMON>	43,571
<OTHER-SE>	707,161
<TOTAL-LIABILITY-AND-EQUITY>	1,360,973
<SALES>	1,292,125
<TOTAL-REVENUES>	1,292,125
<CGS>	628,634
<TOTAL-COSTS>	628,634
<OTHER-EXPENSES>	538,021
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<INTEREST-EXPENSE>	13,327
<INCOME-PRETAX>	179,889
<INCOME-TAX>	66,559
<INCOME-CONTINUING>	113,330
<DISCONTINUED>	0
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<NET-INCOME>	113,330
<EPS-PRIMARY>	1.84
<EPS-DILUTED>	1.83

<ARTICLE> 5
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THE SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE CONSOLIDATED FINANCIAL STATEMENTS OF SNAP-ON INCORPORATED AS OF AND FOR THE PERIOD ENDED MARCH 30, 1996 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.
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<MULTIPLIER> 1,000

<PERIOD-TYPE>	3-MOS
<FISCAL-YEAR-END>	DEC-28-1996
<PERIOD-START>	DEC-31-1995
<PERIOD-END>	MAR-30-1996
<CASH>	23,549
<SECURITIES>	0
<RECEIVABLES>	592,539
<ALLOWANCES>	14,396
<INVENTORY>	245,422
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<PP&E>	477,704
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<TOTAL-ASSETS>	1,343,104
<CURRENT-LIABILITIES>	325,591
<BONDS>	109,895
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<PREFERRED>	0
<COMMON>	43,693
<OTHER-SE>	727,027
<TOTAL-LIABILITY-AND-EQUITY>	1,343,104
<SALES>	344,364
<TOTAL-REVENUES>	344,364
<CGS>	170,535
<TOTAL-COSTS>	170,535
<OTHER-EXPENSES>	139,699
<LOSS-PROVISION>	0
<INTEREST-EXPENSE>	2,942
<INCOME-PRETAX>	47,064
<INCOME-TAX>	17,414
<INCOME-CONTINUING>	29,650
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<EXTRAORDINARY>	0
<CHANGES>	0
<NET-INCOME>	29,650
<EPS-PRIMARY>	.49
<EPS-DILUTED>	.48

<ARTICLE> 5
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THE SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE CONSOLIDATED FINANCIAL STATEMENTS OF SNAP-ON INCORPORATED AS OF AND FOR THE PERIOD ENDED JUNE 29, 1996 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.
</LEGEND>
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<MULTIPLIER> 1,000

<PERIOD-TYPE>	OTHER<F1>
<FISCAL-YEAR-END>	DEC-28-1996
<PERIOD-START>	DEC-31-1995
<PERIOD-END>	JUN-29-1996
<CASH>	26,570
<SECURITIES>	0
<RECEIVABLES>	624,850
<ALLOWANCES>	15,493
<INVENTORY>	267,300
<CURRENT-ASSETS>	981,054
<PP&E>	488,446
<DEPRECIATION>	260,026
<TOTAL-ASSETS>	1,489,065
<CURRENT-LIABILITIES>	370,125
<BONDS>	119,642
<PREFERRED-MANDATORY>	0
<PREFERRED>	0
<COMMON>	43,932
<OTHER-SE>	742,158
<TOTAL-LIABILITY-AND-EQUITY>	1,489,065
<SALES>	728,918
<TOTAL-REVENUES>	728,918
<CGS>	360,960
<TOTAL-COSTS>	360,960
<OTHER-EXPENSES>	291,430
<LOSS-PROVISION>	0
<INTEREST-EXPENSE>	6,252
<INCOME-PRETAX>	101,870
<INCOME-TAX>	37,692
<INCOME-CONTINUING>	64,178
<DISCONTINUED>	0
<EXTRAORDINARY>	0
<CHANGES>	0
<NET-INCOME>	64,178
<EPS-PRIMARY>	1.05
<EPS-DILUTED>	1.04

<FN>
<F1> 26 weeks

<ARTICLE> 5
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THE SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE
CONSOLIDATED FINANCIAL STATEMENTS OF SNAP-ON INCORPORATED AS OF AND FOR THE
THIRTY-NINE WEEKS ENDED SEPTEMBER 28, 1996 AND IS QUALIFIED IN ITS ENTIRETY BY
REFERENCE TO SUCH FINANCIAL STATEMENTS.
</LEGEND>
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<MULTIPLIER> 1,000

<PERIOD-TYPE>	OTHER<F1>
<FISCAL-YEAR-END>	DEC-28-1996
<PERIOD-START>	DEC-31-1995
<PERIOD-END>	SEP-28-1996
<CASH>	19,461
<SECURITIES>	0
<RECEIVABLES>	635,646
<ALLOWANCES>	16,235
<INVENTORY>	279,178
<CURRENT-ASSETS>	998,524
<PP&E>	504,891
<DEPRECIATION>	265,729
<TOTAL-ASSETS>	1,524,097
<CURRENT-LIABILITIES>	355,689
<BONDS>	150,611
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<PREFERRED>	0
<COMMON>	65,935
<OTHER-SE>	740,197
<TOTAL-LIABILITY-AND-EQUITY>	1,524,097
<SALES>	1,076,120
<TOTAL-REVENUES>	1,076,120
<CGS>	541,684
<TOTAL-COSTS>	541,684
<OTHER-EXPENSES>	432,828
<LOSS-PROVISION>	0
<INTEREST-EXPENSE>	9,312
<INCOME-PRETAX>	150,703
<INCOME-TAX>	55,760
<INCOME-CONTINUING>	94,943
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<EXTRAORDINARY>	0
<CHANGES>	0
<NET-INCOME>	94,943
<EPS-PRIMARY>	1.56
<EPS-DILUTED>	1.54

<FN>
<F1> Schedule is for 39 weeks.

<ARTICLE> 5
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THE SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE CONSOLIDATED FINANCIAL STATEMENTS OF SNAP-ON INCORPORATED AS OF AND FOR THE YEAR ENDED DECEMBER 28, 1996 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.
</LEGEND>
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<PERIOD-TYPE>	YEAR
<FISCAL-YEAR-END>	DEC-28-1996
<PERIOD-START>	DEC-31-1995
<PERIOD-END>	DEC-28-1996
<CASH>	15,350
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<ALLOWANCES>	16,903
<INVENTORY>	269,750
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<DEPRECIATION>	264,945
<TOTAL-ASSETS>	1,520,788
<CURRENT-LIABILITIES>	341,371
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<PREFERRED>	0
<COMMON>	65,972
<OTHER-SE>	762,189
<TOTAL-LIABILITY-AND-EQUITY>	1,520,788
<SALES>	1,485,279
<TOTAL-REVENUES>	1,485,279
<CGS>	734,495
<TOTAL-COSTS>	734,495
<OTHER-EXPENSES>	594,527
<LOSS-PROVISION>	0
<INTEREST-EXPENSE>	12,649
<INCOME-PRETAX>	208,653
<INCOME-TAX>	77,202
<INCOME-CONTINUING>	131,451
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<EXTRAORDINARY>	0
<CHANGES>	0
<NET-INCOME>	131,451
<EPS-PRIMARY>	2.16
<EPS-DILUTED>	2.13

<ARTICLE> 5
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THE SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE
CONSOLIDATED FINANCIAL STATEMENTS OF SNAP-ON INCORPORATED AS OF AND FOR THE
THIRTEEN WEEKS ENDED MARCH 29, 1997 AND IS QUALIFIED IN ITS ENTIRETY BY
REFERENCE TO SUCH FINANCIAL STATEMENTS.
</LEGEND>
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<MULTIPLIER> 1,000

<PERIOD-TYPE>	OTHER<F1>
<FISCAL-YEAR-END>	JAN-03-1998
<PERIOD-START>	DEC-29-1996
<PERIOD-END>	MAR-29-1997
<CASH>	9,129
<SECURITIES>	0
<RECEIVABLES>	674,624
<ALLOWANCES>	16,947
<INVENTORY>	299,203
<CURRENT-ASSETS>	1,052,046
<PP&E>	517,451
<DEPRECIATION>	270,069
<TOTAL-ASSETS>	1,617,688
<CURRENT-LIABILITIES>	370,746
<BONDS>	200,065
<PREFERRED-MANDATORY>	0
<PREFERRED>	0
<COMMON>	66,083
<OTHER-SE>	778,023
<TOTAL-LIABILITY-AND-EQUITY>	1,617,688
<SALES>	375,299
<TOTAL-REVENUES>	375,299
<CGS>	182,332
<TOTAL-COSTS>	182,332
<OTHER-EXPENSES>	151,319
<LOSS-PROVISION>	0
<INTEREST-EXPENSE>	4,381
<INCOME-PRETAX>	53,737
<INCOME-TAX>	19,883
<INCOME-CONTINUING>	33,854
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<EXTRAORDINARY>	0
<CHANGES>	0
<NET-INCOME>	33,854
<EPS-PRIMARY>	.56
<EPS-DILUTED>	.55

<FN>
<F1> 13 weeks

<ARTICLE> 5
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THE SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE
CONSOLIDATED FINANCIAL STATEMENTS OF SNAP-ON INCORPORATED AS OF AND FOR THE
TWENTY-SIX WEEKS ENDED JUNE 28, 1997 AND IS QUALIFIED IN ITS ENTIRETY BY
REFERENCE TO SUCH FINANCIAL STATEMENTS.
</LEGEND>
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<MULTIPLIER> 1,000

<PERIOD-TYPE>	OTHER <F1>
<FISCAL-YEAR-END>	JAN-03-1998
<PERIOD-START>	DEC-29-1996
<PERIOD-END>	JUN-28-1997
<CASH>	9,828
<SECURITIES>	0
<RECEIVABLES>	653,854
<ALLOWANCES>	16,438
<INVENTORY>	316,260
<CURRENT-ASSETS>	1,050,813
<PP&E>	502,236
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<TOTAL-ASSETS>	1,617,981
<CURRENT-LIABILITIES>	367,864
<BONDS>	182,624
<PREFERRED-MANDATORY>	0
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<COMMON>	66,141
<OTHER-SE>	792,537
<TOTAL-LIABILITY-AND-EQUITY>	1,617,981
<SALES>	784,530
<TOTAL-REVENUES>	784,530
<CGS>	383,896
<TOTAL-COSTS>	383,896
<OTHER-EXPENSES>	310,431
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<INTEREST-EXPENSE>	8,860
<INCOME-PRETAX>	115,595
<INCOME-TAX>	42,770
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<EXTRAORDINARY>	0
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<NET-INCOME>	72,825
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<EPS-DILUTED>	1.18

<FN>
<F1> 26 WEEKS

<ARTICLE> 5
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THE SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE
CONSOLIDATED FINANCIAL STATEMENTS OF SNAP-ON INCORPORATED AS OF AND FOR THE
THIRTY-NINE WEEKS ENDED SEPTEMBER 27, 1997 AND IS QUALIFIED IN ITS ENTIRETY BY
REFERENCE TO SUCH FINANCIAL STATEMENTS.
</LEGEND>
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<MULTIPLIER> 1,000

<PERIOD-TYPE>	OTHER<F1>
<FISCAL-YEAR-END>	JAN-03-1998
<PERIOD-START>	DEC-29-1996
<PERIOD-END>	SEP-27-1997
<CASH>	15,442
<SECURITIES>	0
<RECEIVABLES>	618,495
<ALLOWANCES>	18,204
<INVENTORY>	367,314
<CURRENT-ASSETS>	1,070,785
<PP&E>	532,122
<DEPRECIATION>	276,611
<TOTAL-ASSETS>	1,658,234
<CURRENT-LIABILITIES>	363,727
<BONDS>	200,061
<PREFERRED-MANDATORY>	0
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<COMMON>	66,330
<OTHER-SE>	819,165
<TOTAL-LIABILITY-AND-EQUITY>	1,658,234
<SALES>	1,175,692
<TOTAL-REVENUES>	1,175,692
<CGS>	575,764
<TOTAL-COSTS>	575,764
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<INCOME-CONTINUING>	108,339
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<NET-INCOME>	108,339
<EPS-PRIMARY>	1.78
<EPS-DILUTED>	1.76

<FN>
<F1> Thirty-nine weeks.

<ARTICLE> 5
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THE SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE
CONSOLIDATED FINANCIAL STATEMENTS OF SNAP-ON INCORPORATED AS OF AND FOR THE
YEAR ENDED JANUARY 3, 1998 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE
TO SUCH FINANCIAL STATEMENTS.
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<PERIOD-TYPE>	YEAR
<FISCAL-YEAR-END>	JAN-03-1998
<PERIOD-START>	DEC-29-1996
<PERIOD-END>	JAN-03-1998
<CASH>	25,679
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<RECEIVABLES>	560,234
<ALLOWANCES>	20,645
<INVENTORY>	373,155
<CURRENT-ASSETS>	1,021,709
<PP&E>	547,580
<DEPRECIATION>	281,815
<TOTAL-ASSETS>	1,641,357
<CURRENT-LIABILITIES>	352,530
<BONDS>	151,016
<PREFERRED-MANDATORY>	0
<PREFERRED>	0
<COMMON>	66,472
<OTHER-SE>	825,665
<TOTAL-LIABILITY-AND-EQUITY>	1,641,357
<SALES>	1,672,215
<TOTAL-REVENUES>	1,672,215
<CGS>	828,387
<TOTAL-COSTS>	828,387
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<INTEREST-EXPENSE>	17,654
<INCOME-PRETAX>	238,676
<INCOME-TAX>	88,310
<INCOME-CONTINUING>	150,366
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<EXTRAORDINARY>	0
<CHANGES>	0
<NET-INCOME>	150,366
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<EPS-DILUTED>	2.44