Stanley Black & Decker 3Q Profit Falls On Charges

The Associated Press

NEW BRITAIN, Conn. (AP) — Stanley Black & Decker's third-quarter net income fell 26 percent, pulled down by charges, and the tool maker lowered its full-year earnings forecast, partly because of lower volumes and increased investments.

Its adjusted earnings for the latest quarter and its forecast for 2012 were below Wall Street estimates.

Its shares tumbled almost 4 percent in premarket trading.

Last week Stanley Black & Decker Inc. announced that it is selling its hardware and home-improvement business to Spectrum Brands Holdings Inc. for $1.4 billion in cash.

For the period ended Sept. 29, the company earned $115.2 million, or 69 cents per share. That's down from $154.6 million, or 92 cents per share, a year earlier.

Removing acquisition-related charges, debt extinguishment charges and other items, earnings were $1.40 per share.

Analysts polled by FactSet expected $1.44 per share.

Revenue for the New Britain, Conn.-based company rose 7 percent to $2.79 billion from $2.62 billion thanks to acquisitions. Wall Street analysts expected $2.82 per share.

President and CEO John Lundgren said in a statement on Wednesday that there was some strength in the hand and power tool businesses in the U.S. and in emerging markets. The company's engineering fastening business saw growth in the U.S. and Asia. The industrial automotive repair segment reported weakness in Europe.

Stanley Black & Decker now expects 2012 earnings of about $5.25 per share, excluding charges. Analysts expected $5.51 per share.

Its shares dropped $2.85, or 3.9 percent, to $69.47 in premarket trading. Its shares are still up 19 percent from their 52-week low of $58.59 set in mid-July.

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