



Quarterly Financial Review

Third Quarter 2026



Who We Are

OUR MISSION

The most valued productivity solutions in the world

BELIEFS

We deeply believe in:

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

VALUES

Our behaviors define our success:

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

VISION

To be acknowledged as the:

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

Cautionary Statement

- These slides should be read in conjunction with comments from the October 22, 2026 conference call. The financial statement information included herein is unaudited.
- Statements made during the October 22, 2026 conference call and/or information included in this presentation may contain statements, including earnings projections, that are forward-looking in nature and, accordingly, are subject to risks and uncertainties regarding Snap-on's expected results; actual results may differ materially from those described or contemplated in these forward-looking statements. Factors that may cause actual results to differ materially from those contained in the forward-looking statements include those found in Snap-on's reports filed with the Securities and Exchange Commission, including the information under "Safe Harbor" and "Risk Factors" headings in its most recent Annual Report on Form 10-K, which are incorporated herein by reference. Snap-on disclaims any responsibility to update any forward-looking statement provided during the October 22, 2026 conference call and/or included in this presentation, except as required by law.
- This presentation includes certain non-GAAP measures of financial performance, which are not meant to be considered in isolation or as a substitute for their GAAP counterparts. Additional information regarding these non-GAAP measures is included in Snap-on's October 22, 2026 press release and Form 8-K, which can be found on the company's website in the investors section at www.snapon.com.



Nick Pinchuk
Chairman and
Chief Executive Officer



Aldo Pagliari
Senior Vice President and
Chief Financial Officer

Consolidated Results

(\$ in millions, except per share data - unaudited)	Q3 2026		Q3 2025		Change
	\$	%	\$	%	
Net sales	\$ 1,183.7		\$ 1,190.8		(0.6)%
➤ Organic sales	(33.1)				(2.8)%
➤ Acquisitions	25.6				2.2 %
➤ Currency translation	0.4				—
Gross profit	\$ 603.6	51.0 %	\$ 605.9	50.9 %	
Operating expenses	355.5	30.0 %	327.4	27.5 %	
Operating earnings before financial services	\$ 248.1	21.0 %	\$ 278.5	23.4 %	(10.9)%
Financial services revenue	\$ 98.6		\$ 101.1		(2.5)%
Financial services operating earnings	68.3		68.9		(0.9)%
Operating earnings	\$ 316.4	24.7 %	\$ 347.4	26.9 %	(8.9)%
Diluted EPS – as reported	\$ 4.64		\$ 5.02		(7.6)%

- Net sales of \$1,183.7 million in the third quarter of 2026 represented a decrease of \$7.1 million, or 0.6%, from 2025 levels, reflecting a \$33.1 million, or 2.8%, organic decline, partially offset by \$25.6 million of acquisition-related sales and \$0.4 million of favorable foreign currency translation
- Gross margin improved 10 basis points (“bps”) to 51.0% from 50.9% last year primarily reflecting benefits from the company’s Rapid Continuous Improvement (“RCI”) initiatives, partially offset by higher material costs
- Operating expenses as a percentage of net sales rose 250 bps from last year primarily due to a 190 bps non-recurring benefit from the settlement of a legal matter (the “legal settlement”) in 2025, as well as from increased brand building and other costs
- As a percentage of net sales, operating earnings before financial services were 21.0% compared to 23.4% last year, which included a 190 bps benefit from the legal settlement

Commercial & Industrial

(\$ in millions - unaudited)	Q3 2026	Q3 2025	Change
Segment sales	\$ 404.3	\$ 367.7	10.0 %
➤ Organic sales	27.0		7.4 %
➤ Acquisition	10.0		2.7 %
➤ Currency translation	(0.4)		(0.1)%
Gross profit	\$ 167.7	\$ 150.5	
% of sales	41.5 %	40.9 %	
Operating expenses	\$ 93.0	\$ 93.0	
% of sales	23.0 %	25.3 %	
Operating earnings	\$ 74.7	\$ 57.5	
% of sales	18.5 %	15.6 %	290 bps

- Organic sales increase of \$27.0 million, or 7.4%, primarily reflects a mid single-digit rise in activity with customers in critical industries, double-digit gains in the specialty torque business, and a high single-digit increase in the segment's Asia Pacific operation
- Gross margin improved 60 bps from last year primarily due to increased sales and savings from the segment's RCI initiatives
- Operating expenses as a percentage of net sales improved 230 bps as compared to 2025 primarily reflecting the higher sales volumes and a 130 bps benefit associated with the sale of a building, partially offset by a 40 bps impact from acquisitions
- Operating earnings of \$74.7 million compared to \$57.5 million in 2025; the operating margin of 18.5% compared to 15.6% last year

Snap-on Tools

(\$ in millions - unaudited)	Q3 2026	Q3 2025	Change
Segment sales	\$ 471.5	\$ 506.0	(6.8)%
➤ Organic sales	(35.7)		(7.0)%
➤ Currency translation	1.2		0.2 %
Gross profit	\$ 217.1	\$ 236.8	
% of sales	46.0 %	46.8 %	
Operating expenses	\$ 132.3	\$ 126.9	
% of sales	28.0 %	25.1 %	
Operating earnings	\$ 84.8	\$ 109.9	
% of sales	18.0 %	21.7 %	(370) bps

- Organic sales decline of \$35.7 million, or 7.0%, was due to a high single-digit decline in the U.S. and a low single-digit reduction in the segment's international operations
- Gross margin decreased 80 bps from last year primarily reflecting the lower sales volumes; higher material costs were offset by 60 bps of favorable foreign currency effects
- Operating expenses as a percentage of net sales rose 290 bps as compared to 2025 primarily due to the lower sales, as well as increased brand building and other costs
- Operating earnings of \$84.8 million compared to \$109.9 million in 2025; the operating margin of 18.0% compared to 21.7% last year

Repair Systems & Information

(\$ in millions - unaudited)	Q3 2026	Q3 2025	Change
Segment sales	\$ 454.7	\$ 464.8	(2.2)%
➤ Organic sales	(25.7)		(5.5)%
➤ Acquisition	15.6		3.3 %
Gross profit	\$ 218.8	\$ 218.6	
% of sales	48.1 %	47.0 %	
Operating expenses	\$ 102.7	\$ 77.4	
% of sales	22.6 %	16.6 %	
Operating earnings	\$ 116.1	\$ 141.2	
% of sales	25.5 %	30.4 %	(490) bps

- Organic sales decrease of \$25.7 million, or 5.5%, primarily due to a double-digit decline in activity with OEM dealerships
- Gross margin improved 110 bps from last year primarily reflecting favorable business mix
- Operating expenses as a percentage of net sales increased 600 bps from 2025 primarily due to a \$22.0 million, or 480 bps, non-recurring benefit from the legal settlement in 2025, as well as from the lower sales volumes
- Operating earnings of \$116.1 million compared to \$141.2 million in 2025, which included a \$22.0 million benefit from the legal settlement
- Operating margin of 25.5% compared to 30.4% last year, which included a 480 bps benefit from the legal settlement

Financial Services

<i>(\$ in millions - unaudited)</i>	Q3 2026	Q3 2025	Change
Segment revenue	\$ 98.6	\$ 101.1	(2.5)%
Operating earnings	\$ 68.3	\$ 68.9	(0.9)%
Originations	\$ 270.6	\$ 274.1	(1.3)%

- Originations decreased \$3.5 million or 1.3%
- Average yield on finance receivables was 17.7% in both 2026 and 2025
- Average yield on contract receivables was 9.1% in both 2026 and 2025

Financial Services Portfolio Data

(\$ in millions - unaudited)	United States		International	
	Extended Credit	Total	Extended Credit	Total
Gross finance portfolio	\$ 1,674.4	\$ 2,103.1	\$ 257.2	\$ 360.7
Portfolio net losses (TTM)	\$ 64.6	\$ 67.2	\$ 5.5	\$ 6.2
60+ Delinquency:				
As of 09/30/26	2.1 %	1.7 %	1.1 %	1.1 %
As of 06/30/26	1.7 %	1.4 %	1.1 %	1.1 %
As of 03/31/26	1.9 %	1.5 %	1.0 %	1.1 %
As of 12/31/25	2.1 %	1.7 %	1.0 %	0.9 %
As of 09/30/25	2.0 %	1.7 %	1.0 %	0.9 %

- Gross finance portfolio of \$2,463.8 million as of Q3 2026
 - Compares to \$2,473.1 million as of Q2 2026
 - Compares to \$2,509.5 million as of Q4 2025

- TTM – Trailing twelve months

Cash Flows

(\$ in millions - unaudited)	3 rd Quarter		September YTD	
	2026	2025	2026	2025
Net cash provided by operating activities	\$ 247.7	\$ 277.9	\$ 887.9	\$ 813.6
➤ Net earnings	249.6	271.8	769.3	775.3
➤ Depreciation and amortization	25.7	24.8	75.6	73.2
➤ Changes in deferred income taxes	7.1	(0.8)	13.9	(0.7)
➤ Changes in working investment	(24.2)	(113.5)	(70.3)	(141.4)
➤ Changes in accrued and other liabilities	(32.3)	53.4	0.6	4.6
➤ Changes in all other operating activities	21.8	42.2	98.8	102.6
Net increase in finance receivables	\$ (0.3)	\$ (1.3)	\$ (21.2)	\$ (35.9)
Capital expenditures	\$ (24.7)	\$ (19.9)	\$ (69.0)	\$ (62.5)
Free cash flow	\$ 222.7	\$ 256.7	\$ 797.7	\$ 715.2
Free cash flow from Operations	\$ 171.0	\$ 210.9	\$ 643.4	\$ 581.0
Free cash flow from Financial Services	\$ 51.7	\$ 45.8	\$ 154.3	\$ 134.2
Increase in cash	\$ 25.3	\$ 75.8	\$ 45.5	\$ 173.6

- Changes in working investment – Net changes in trade and other accounts receivable, inventories and accounts payable
- Free cash flow – Net cash provided by operating activities less net change in finance receivables and capital expenditures
- Free cash flow from Operations – Net cash provided by operating activities, exclusive of financial services, less capital expenditures
- Free cash flow from Financial Services – Net cash provided by financial services operating activities, less net change in finance receivables and capital expenditures

Balance Sheet

<i>(\$ in millions - unaudited)</i>	October 3, 2026	January 3, 2026
Trade & Other Accounts Receivable – net	\$ 922.1	\$ 881.4
Days Sales Outstanding	68	67
Finance Receivables – net	\$ 1,857.9	\$ 1,889.0
Contract Receivables – net	\$ 535.3	\$ 553.1
Inventories – net	\$ 1,079.6	\$ 1,025.2
Inventory turns – TTM	2.3	2.4
Cash	\$ 1,670.0	\$ 1,624.5
Total debt	\$ 1,205.1	\$ 1,202.6
Net debt	\$ (464.9)	\$ (421.9)
Net debt to capital ratio	(8.3)%	(7.7)%