

Release: IMMEDIATE**Snap-on Announces First Quarter 2007 Results**

***Net earnings up 76.5% over prior year on 19.6% sales increase
EPS of \$0.66 for the quarter compared to \$0.37 last year***

KENOSHA, Wis. — April 24, 2007 — Snap-on Incorporated (NYSE: SNA), a leading global innovator, manufacturer and marketer of tools, diagnostics and equipment solutions for professional users, today announced first-quarter 2007 results.

- Net sales of \$709.7 million were up \$116.2 million, or 19.6%, over prior year, reflecting increases across all segments, including \$49.3 million of sales from the November 2006 acquisition of Business Solutions and \$17.0 million of currency translation.
- Operating earnings of \$69.7 million increased \$30.3 million, or 76.9%, over prior year. As a percentage of revenues, operating earnings improved to 9.6% in 2007 from 6.5% in 2006.
- Net earnings of \$39.0 million, or \$0.66 per diluted share, increased 76.5% from net earnings of \$22.1 million, or \$0.37 per diluted share, in the first quarter of 2006.

“Continued progress is being made as we execute our strategies to improve customer service, strengthen our brands, improve our global supply chain, and reduce overall complexity and cost,” said Jack D. Michaels, Snap-on chairman and chief executive officer. “Our first-quarter results reflect the considerable progress that our associates are making toward these priorities, and I thank them for their continued efforts. We believe the strategies we are implementing to improve the franchise proposition and the effectiveness of our global supply chain contributed to the improvement in first-quarter results.”

Snap-on Tools Group segment sales of \$288.5 million were up \$39.8 million, or 16.0%, from prior-year levels primarily driven by a 17.1% increase in U.S. sales. Year over year, U.S. sales benefited from a 6% increase in average sales per franchisee, which included higher sales from a new mid-tier product offering and the re-launch of the company’s in-house warehouse distribution program. The increase in U.S. sales also reflects the impacts of lower levels of franchisee turnover and product returns. Sales in the company’s international franchise operations increased 18.5% year over year, primarily due to continued strong growth in the United Kingdom and Australia.

Operating earnings of \$29.3 million were up \$11.1 million, or 61.0%, from operating earnings of \$18.2 million in the first quarter of 2006, primarily due to the higher sales coupled with lower costs, including benefits from our Rapid Continuous Improvement (RCI) program. As a percentage of sales, operating earnings improved to 10.2% in the quarter as compared with 7.3% a year ago.

Commercial & Industrial Group segment sales of \$321.8 million were up 12.0% year over year largely due to increased sales of professional tools in Europe, continued strong sales growth in emerging markets, and higher sales of tools, including power and specialty tools, for industrial applications in the United States. Currency translation contributed \$12.5 million of the sales increase.

Operating earnings of \$28.1 million increased \$5.0 million, or 21.6%, from prior year, primarily due to the higher sales and benefits from ongoing cost reduction and restructuring initiatives. These increases in operating earnings were partially offset by higher restructuring costs and continued investment spending related to the expansion of distribution and manufacturing in emerging markets and lower-cost regions. As a percentage of sales, operating earnings improved to 8.7% in the quarter as compared with 8.0% a year ago.

Diagnostics & Information Group segment sales of \$167.8 million were up \$48.6 million from prior-year levels primarily due to sales from the November 2006 acquisition of Business Solutions, higher Equipment Solutions sales, increased sales of handheld diagnostics and related software, and higher sales of information products from Mitchell1™. These increases were partially offset by the impact of outsourcing certain non-strategic, low-margin equipment products previously manufactured for the Snap-on Tools Group.

Operating earnings of \$21.6 million in the quarter were up \$11.3 million from prior year primarily due to the earnings contribution from Business Solutions, an improved sales mix of higher-margin products, and benefits from improved productivity and cost reduction initiatives. As a percentage of sales, operating earnings improved to 12.9% in the quarter as compared with 8.6% a year ago.

Financial Services operating earnings were \$3.7 million on \$13.4 million of revenue, as compared with \$2.0 million of operating earnings on \$11.2 million of revenue a year ago. The increase in operating earnings primarily reflects the impact of higher effective yields.

“We are encouraged with the progress made to date in executing our strategic initiatives,” said Michaels, “and we remain optimistic about the opportunity for sustained profitable growth and value creation.”

Outlook

Snap-on will continue implementing its strategic and rapid continuous improvement initiatives in 2007, including its continued focus on emerging markets, product innovation, strengthening the franchise proposition, leveraging its brands, enhancing customer service, improving manufacturing and process effectiveness, lowering administrative costs, and pursuing growth initiatives. As a result of these initiatives, Snap-on anticipates continued operating and earnings improvement for the remainder of 2007.

Snap-on incurred \$8.2 million of exit and disposal costs in the first quarter of 2007 and, as previously communicated, the company expects to incur approximately \$28 million of exit and disposal costs in 2007 as part of its ongoing efforts to lower its cost structure and improve process effectiveness. Snap-on anticipates 2007 capital expenditures to be in a range of \$50 million to \$60 million, and depreciation and amortization expense to approximate \$70 million. As a result of higher debt levels, primarily from the Business Solutions acquisition, Snap-on anticipates incurring approximately \$24 million of higher year-over-year interest expense in 2007. Snap-on expects that its full-year 2007 effective tax rate will approximate 34.5%.

Conference Call and Webcast April 24, 2007, at 9:00 a.m. Central

A discussion of this release will be webcast on April 24, 2007, at 9:00 a.m. Central, and a replay will be available for at least 10 days following the call. To access the webcast, visit www.snapon.com, click on *Snap-on Corporate* and then on the link for the webcast. Additional detail about Snap-on is also available on the Snap-on Web site.

About Snap-on

Snap-on Incorporated is a leading global innovator, manufacturer and marketer of tools, diagnostics and equipment solutions for professional users. Product lines include hand and power tools, tool storage, diagnostics software, information and management systems, shop equipment and other solutions for vehicle manufacturers, dealerships and repair centers, as well as customers in industry, government, agriculture and construction. Products are sold through its franchisees, company-direct sales and distributor channels, as well as over the Internet. Founded in 1920, Snap-on is a \$2.5 billion, S&P 500 company headquartered in Kenosha, Wisconsin.

Forward-looking Statements

Statements in this news release that are not historical facts, including statements (i) that include the words “expects,” “plans,” “targets,” “estimates,” “believes,” “anticipates,” or similar words that reference Snap-on or its management; (ii) specifically identified as forward-looking; or (iii) describing Snap-on’s or management’s future outlook, plans, estimates, objectives or goals, are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Snap-on cautions the reader that this news release contains statements, including earnings projections, that are forward-looking in nature and were developed by management in good faith and, accordingly, are subject to risks and uncertainties regarding Snap-on’s expected results that could cause (and in some cases have caused) actual results to differ materially from those described in any such statement. The company’s actual results may differ materially from those described or contemplated in the forward-looking statements. Factors that may cause the company’s actual results to differ materially from those contained in the forward-looking statements include those found in the company’s reports filed with the Securities and Exchange Commission, including the information under the “Safe Harbor” and “Risk Factors” headings in its Annual Report on Form 10-K for the fiscal year ended December 30, 2006, which are incorporated herein by reference. Snap-on disclaims any responsibility to update any forward-looking statement provided in this news release, except as required by law.

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SNAP-ON INCORPORATED
Condensed Consolidated Statements of Earnings
(Amounts in millions, except per share data)
(unaudited)

	Three Months Ended	
	March 31, 2007	April 1, 2006
Net sales	\$ 709.7	\$ 593.5
Cost of goods sold	<u>(397.8)</u>	<u>(333.2)</u>
Gross profit	<u>311.9</u>	<u>260.3</u>
Financial services revenue	13.4	11.2
Financial services expenses	<u>(9.7)</u>	<u>(9.2)</u>
Operating income from financial services	<u>3.7</u>	<u>2.0</u>
Operating expenses	<u>(245.9)</u>	<u>(222.9)</u>
Operating earnings	<u>69.7</u>	<u>39.4</u>
Interest expense	(11.3)	(4.4)
Other income (expense) - net	<u>0.2</u>	<u>(1.2)</u>
Earnings before income taxes	<u>58.6</u>	<u>33.8</u>
Income tax expense	<u>(19.6)</u>	<u>(11.7)</u>
Net earnings	<u><u>\$ 39.0</u></u>	<u><u>\$ 22.1</u></u>
Earnings per share:		
Basic	\$ 0.67	\$ 0.38
Diluted	\$ 0.66	\$ 0.37
Weighted-average shares outstanding:		
Basic	58.2	58.2
Effect of dilutive options	<u>0.8</u>	<u>0.9</u>
Diluted	<u><u>59.0</u></u>	<u><u>59.1</u></u>

SNAP-ON INCORPORATED

Supplemental Segment Information

(Amounts in millions)

(unaudited)

	Three Months Ended	
	March 31, 2007	April 1, 2006
Net sales:		
Snap-on Tools Group	\$ 288.5	\$ 248.7
Commercial & Industrial Group	321.8	287.2
Diagnostics & Information Group	167.8	119.2
Segment net sales	778.1	655.1
Intersegment eliminations	(68.4)	(61.6)
Total net sales	\$ 709.7	\$ 593.5
 Financial services revenue	 13.4	 11.2
Total revenues	\$ 723.1	\$ 604.7
 Operating earnings:		
Snap-on Tools Group	\$ 29.3	\$ 18.2
Commercial & Industrial Group	28.1	23.1
Diagnostics & Information Group	21.6	10.3
Financial Services	3.7	2.0
Segment operating earnings	82.7	53.6
Corporate	(13.0)	(14.2)
Operating earnings	\$ 69.7	\$ 39.4
 Interest expense	(11.3)	(4.4)
Other income (expense) - net	0.2	(1.2)
Earnings before income taxes	\$ 58.6	\$ 33.8

SNAP-ON INCORPORATED
Condensed Consolidated Statements of Cash Flows
(Amounts in millions)
(unaudited)

	Three Months Ended	
	March 31, 2007	April 1, 2006
Operating activities		
Net earnings	\$ 39.0	\$ 22.1
Adjustments to reconcile net earnings to net cash provided (used) by operating activities:		
Depreciation	12.1	12.0
Amortization of other intangibles	4.4	0.5
Stock-based compensation expense	3.9	3.3
Excess tax benefits from stock-based compensation	(2.2)	(3.4)
Deferred income tax benefits	(3.2)	(2.9)
Gain on sale of assets	(0.1)	(0.7)
Loss on mark to market for cash flow hedges	-	0.1
Changes in operating assets and liabilities:		
(Increase) decrease in receivables	(5.5)	(27.0)
(Increase) decrease in inventories	(3.0)	(9.6)
(Increase) decrease in prepaid and other assets	(15.9)	(14.3)
Increase (decrease) in accounts payable	12.5	26.6
Increase (decrease) in accruals and other liabilities	(15.0)	20.8
Net cash provided by operating activities	27.0	27.5
Investing activities		
Capital expenditures	(13.3)	(10.7)
Proceeds from disposal of property and equipment	1.9	2.5
Net cash used in investing activities	(11.4)	(8.2)
Financing activities		
Proceeds from issuance of long-term debt	298.5	-
Net increase (decrease) in short-term borrowings	(285.5)	6.0
Purchase of treasury stock	(31.2)	(26.0)
Proceeds from stock purchase and option plans	13.8	25.4
Excess tax benefits from stock-based compensation	2.2	3.4
Cash dividends paid	(15.9)	(15.8)
Net cash used in financing activities	(18.1)	(7.0)
Effect of exchange rate changes on cash and cash equivalents	0.4	0.2
Increase (decrease) in cash and cash equivalents	(2.1)	12.5
Cash and cash equivalents at beginning of period	63.4	170.4
Cash and cash equivalents at end of period	\$ 61.3	\$ 182.9
Supplemental cash flow disclosures		
Cash paid for interest	\$ (10.3)	\$ (7.1)
Net cash refunded (paid) for income taxes	3.4	(4.2)

SNAP-ON INCORPORATED
Condensed Consolidated Balance Sheets
(Amounts in millions)
(unaudited)

	March 31, 2007	December 30, 2006
Assets		
Cash and cash equivalents	\$ 61.3	\$ 63.4
Accounts receivable - net of allowances	567.9	559.2
Inventories	326.9	323.0
Deferred income tax benefits	71.5	76.0
Prepaid expenses and other assets	100.8	91.6
Total current assets	1,128.4	1,113.2
Property and equipment - net	296.8	297.1
Deferred income tax benefits	61.9	55.3
Goodwill	781.1	776.1
Other intangibles - net	245.7	257.8
Pension assets	14.1	14.0
Other assets	152.4	141.0
Total Assets	\$ 2,680.4	\$ 2,654.5
Liabilities		
Accounts payable	\$ 193.3	\$ 178.8
Notes payable and current maturities of long-term debt	60.3	43.6
Accrued benefits	45.5	41.4
Accrued compensation	67.7	90.4
Franchisee deposits	46.0	48.5
Deferred subscription revenue	32.1	25.3
Income taxes	23.4	37.8
Other accrued liabilities	218.5	216.2
Total current liabilities	686.8	682.0
Long-term debt	503.9	505.6
Deferred income taxes	82.2	88.9
Retiree health care benefits	68.7	69.6
Pension liabilities	116.7	113.9
Other long-term liabilities	128.9	118.2
Total Liabilities	1,587.2	1,578.2
Shareholders' Equity		
Common stock	67.1	67.1
Additional paid-in capital	122.0	121.9
Retained earnings	1,203.3	1,180.3
Accumulated other comprehensive income (loss)	27.1	21.2
Grantor Stock Trust at fair market value	(0.4)	(19.4)
Treasury stock at cost	(325.9)	(294.8)
Total Shareholders' Equity	1,093.2	1,076.3
Total Liabilities and Shareholders' Equity	\$ 2,680.4	\$ 2,654.5