Snap-on Incorporated **News***Release*

***Release*: IMMEDIATE**

Snap-on Announces Third Quarter 2007 Results

Third quarter EPS of $0.70 compares to $0.48 in 2006;
EPS increases 45.8% on 14.5% sales increase; Recipient of three 2007 "MOTOR Magazine – Top 20 Tools" awards for product innovation

KENOSHA, Wis. — October 23, 2007 — Snap-on Incorporated (NYSE: SNA), a leading global innovator, manufacturer and marketer of tools, diagnostics and equipment solutions for professional users, today announced third-quarter 2007 results.

- Net sales of $680.7 million increased $86.0 million, or 14.5%, over prior year reflecting increases across all segments, including $48.6 million of sales from the November 2006 acquisition of Business Solutions and $19.3 million of currency translation. Partially offsetting the sales increase was $22.5 million of lower sales from the wind down of an OEM facilitation program.
- Operating earnings of $72.4 million increased $26.8 million, or 58.8%, over prior year on higher sales and continued margin improvements. As a percent of revenues, operating earnings improved to 10.4% in 2007 from 7.5% in 2006.
- Net earnings in 2007 of $41.1 million, or $0.70 per diluted share, improved from $28.2 million, or $0.48 per diluted share, in 2006. Continued year-over-year operating and earnings improvement is expected for the remainder of 2007.

"Our third-quarter results continue to reflect the progress being made by our associates in executing our strategies," said Jack D. Michaels, Snap-on chairman and chief executive officer. "Improvements in delivery, innovation and Rapid Continuous Improvement (RCI) – our core beliefs – are being obtained across our businesses, allowing us to increasingly capture profitable growth opportunities. In addition, Snap-on's continued recognition for product innovation reflects our commitment to providing customers with the most valued productivity solutions to help them better service today's technologically advanced vehicles."

Snap-on Tools Group segment sales of $262.0 million increased $18.1 million, or 7.4%, from prior-year levels, including a 5.4% increase in North America. Sales in the company's international franchise operations increased $7.6 million, or 15.4%, year over year, primarily due to continued strong sales growth in the U.K. and Australia. Currency translation contributed $4.4 million of the segment's year-over-year sales increase.

Operating earnings of $24.6 million were up $8.9 million, or 56.7%, from $15.7 million in the third quarter of 2006 primarily due to higher sales and lower costs, including continued benefits from RCI. The $8.9 million increase in operating earnings also includes $5.3 million of higher year-over-year LIFO related inventory expenses (charges of $2.6 million in 2007 and benefits of $2.7 million in 2006) and $1.9 million of higher production and material costs. As a percentage of sales, operating earnings improved to 9.4% as compared with 6.4% a year ago.

Commercial & Industrial Group segment sales of $327.9 million were up 14.3% year over year largely due to higher industrial sales, increased sales of professional tools and equipment in Europe, and continued strong sales growth in emerging markets. Excluding $12.1 million of currency translation, year-over-year organic sales growth was 10.1%.

Operating earnings of $32.7 million increased $9.4 million, or 40.3%, from prior year, largely due to the higher sales and benefits from ongoing cost reduction and restructuring initiatives, partially offset by continued investment spending to expand distribution and manufacturing capabilities in emerging markets and lower-cost regions. As a percentage of sales, operating earnings improved to 10.0% as compared with 8.1% a year ago.

Diagnostics & Information Group segment sales of $152.0 million were up $25.1 million, or 19.8%, from the prior year, including $3.5 million from currency translation. Incremental sales from Business Solutions and higher year-over-year sales of diagnostics and information products were partially offset by lower OEM facilitation sales, including $22.5 million of lower sales from the wind down of a 2006 facilitation program in Europe.

Operating earnings of $22.2 million increased $6.3 million from prior-year levels largely due to the higher sales and a more favorable product mix, as well as continued benefits from RCI initiatives. As a percentage of sales, operating earnings improved to 14.6% as compared with 12.5% a year ago.

Financial Services operating earnings were $5.6 million on $15.8 million of revenue, as compared with $3.0 million of operating earnings on $11.3 million of revenue a year ago. The increase in operating earnings primarily reflects the impact of higher customer yields and lower borrowing costs.

Outlook

Snap-on expects to continue implementing its strategic and RCI initiatives, including its focus on global growth, product innovation, strengthening the franchise proposition, enhancing customer service, leveraging its brands, and improving manufacturing flexibility and process effectiveness. As a result, Snap-on anticipates continued year-over-year operating and earnings improvement in the fourth quarter of 2007.

Snap-on incurred $16.5 million of exit and disposal costs in the first nine months of 2007 and may incur up to $25 million of such costs (down from the previously communicated $28 million) for full-year 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 $55 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 $25 million of higher year-over-year interest expense in 2007. Snap-on expects that its effective tax rate for the fourth quarter of 2007 will approximate 34.5%.

“Clearly, our third-quarter results show encouraging and continued progress,” said Nick Pinchuk, Snap-on president and chief operating officer, “and I thank our associates worldwide for their individual and collective contributions in achieving these results. We believe that the focused implementation of our strategies is resulting in a solid operating platform that will support higher levels of future growth and earnings. With broad and expanding markets, well-recognized brands, an enviable competitive position, a network of dedicated franchisees and a solid management team, we remain encouraged regarding our prospects going forward and our ability to drive increasing levels of long-term shareholder return.”

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

A discussion of this release will be webcast on Wednesday, October 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 click 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 $2.7 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		Nine Months Ended	
	Sept. 29, 2007	**Sept. 30, 2006**	**Sept. 29, 2007**	**Sept. 30, 2006**
Net sales	$ 680.7	$ 594.7	$ 2,098.3	$ 1,803.7
Cost of goods sold	(379.8)	(336.1)	(1,165.1)	(1,006.6)
Gross profit	300.9	258.6	933.2	797.1
Financial services revenue	15.8	11.3	44.0	34.2
Financial services expenses	(10.2)	(8.3)	(29.6)	(26.2)
Operating income from financial services	5.6	3.0	14.4	8.0
Operating expenses:				
Selling, general and administrative	(234.1)	(216.0)	(719.1)	(662.9)
Litigation settlement	-	-	-	(38.0)
Total operating expenses	(234.1)	(216.0)	(719.1)	(700.9)
Operating earnings	72.4	45.6	228.5	104.2
Interest expense	(11.6)	(4.5)	(34.6)	(13.6)
Other income (expense) - net	1.9	1.3	4.6	0.4
Earnings from continuing operations	62.7	42.4	198.5	91.0
Income tax expense	(21.6)	(14.8)	(66.6)	(30.4)
Net earnings from continuing operations	41.1	27.6	131.9	60.6
Discontinued operations, net of tax	-	0.6	(8.0)	1.5
Net earnings	$ 41.1	$ 28.2	$ 123.9	$ 62.1
Basic earnings per common share:				
Earnings per share, continuing operations	$ 0.71	$ 0.47	$ 2.28	$ 1.04
Earnings (loss) per share, discontinued operations	-	0.01	(0.14)	0.03
Net earnings per share	$ 0.71	$ 0.48	$ 2.14	$ 1.07
Diluted earnings per common share:				
Earnings per share, continuing operations	$ 0.70	$ 0.47	$ 2.25	$ 1.02
Earnings (loss) per share, discontinued operations	-	0.01	(0.14)	0.03
Net earnings per share	$ 0.70	$ 0.48	$ 2.11	$ 1.05
Weighted-average shares outstanding:				
Basic	57.7	58.2	58.0	58.2
Effect of dilutive options	0.7	0.6	0.7	0.9
Diluted	58.4	58.8	58.7	59.1

SNAP-ON INCORPORATED
Supplemental Segment Information
(Amounts in millions)
(unaudited)

	Three Months Ended		Nine Months Ended	
	Sept. 29, 2007	Sept. 30, 2006	Sept. 29, 2007	Sept. 30, 2006
Net sales:				
Snap-on Tools Group	$ 262.0	$ 243.9	$ 834.5	$ 763.4
Commercial & Industrial Group	327.9	287.0	981.3	874.2
Diagnostics & Information Group	152.0	126.9	481.1	366.1
Segment net sales	741.9	657.8	2,296.9	2,003.7
Intersegment eliminations	(61.2)	(63.1)	(198.6)	(200.0)
Total net sales	$ 680.7	$ 594.7	$ 2,098.3	$ 1,803.7
Financial services revenue	15.8	11.3	44.0	34.2
Total revenues	$ 696.5	$ 606.0	$ 2,142.3	$ 1,837.9
Operating earnings:				
Snap-on Tools Group *	$ 24.6	$ 15.7	$ 88.6	$ 22.4
Commercial & Industrial Group	32.7	23.3	93.3	74.0
Diagnostics & Information Group	22.2	15.9	72.1	39.1
Financial Services	5.6	3.0	14.4	8.0
Segment operating earnings *	85.1	57.9	268.4	143.5
Corporate	(12.7)	(12.3)	(39.9)	(39.3)
Operating earnings *	$ 72.4	$ 45.6	$ 228.5	$ 104.2
Interest expense	(11.6)	(4.5)	(34.6)	(13.6)
Other income (expense) - net	1.9	1.3	4.6	0.4
Earnings from continuing operations *	$ 62.7	$ 42.4	$ 198.5	$ 91.0

* *Operating results for the nine month period ended September 30, 2006, include a $38.0 million pretax litigation settlement charge that was recorded in the second quarter of 2006.*

SNAP-ON INCORPORATED
Reconciliation of Non-GAAP Financial Measures
(Amounts in millions, except per share data)
(unaudited)

	Three Months Ended		Nine Months Ended	
	Sept. 29, 2007	**Sept. 30, 2006**	**Sept. 29, 2007**	**Sept. 30, 2006**
1) Operating earnings				
As reported	$ 72.4	$ 45.6	$ 228.5	$ 104.2
Litigation settlement pretax	-	-	-	38.0
As adjusted	$ 72.4	$ 45.6	$ 228.5	$ 142.2
2) Net earnings from continuing operations				
As reported	$ 41.1	$ 27.6	$ 131.9	$ 60.6
Litigation settlement, net of tax of $14.6 million	-	-	-	23.4
As adjusted	$ 41.1	$ 27.6	$ 131.9	$ 84.0
Diluted earnings per share from continuing operations				
As reported	$ 0.70	$ 0.47	$ 2.25	$ 1.02
Litigation settlement, net of tax of $14.6 million	-	-	-	0.40
As adjusted	$ 0.70	$ 0.47	$ 2.25	$ 1.42
3) Net earnings				
As reported	$ 41.1	$ 28.2	$ 123.9	$ 62.1
Litigation settlement, net of tax of $14.6 million	-	-	-	23.4
Loss (income) from discontinued operations	-	(0.6)	8.0	(1.5)
As adjusted	$ 41.1	$ 27.6	$ 131.9	$ 84.0
Diluted earnings per share from net earnings				
As reported	$ 0.70	$ 0.48	$ 2.11	$ 1.05
Litigation settlement, net of tax of $14.6 million	-	-	-	0.40
Loss (income) from discontinued operations	-	(0.01)	0.14	(0.03)
As adjusted	$ 0.70	$ 0.47	$ 2.25	$ 1.42
4) Snap-on Tools Group				
Segment net sales	$ 262.0	$ 243.9	$ 834.5	$ 763.4
Segment operating earnings				
Segment operating earnings, as reported	$ 24.6	$ 15.7	$ 88.6	$ 22.4
Litigation settlement pretax	-	-	-	38.0
As adjusted	$ 24.6	$ 15.7	$ 88.6	$ 60.4
Segment operating earnings (as adjusted) as a percentage of segment net sales	9.4%	6.4%	10.6%	7.9%

Snap-on is providing the above reconciliations of non-GAAP financial measures as management believes that these non-GAAP measures provide a more meaningful year-over-year comparison of the company's operating performance.

SNAP-ON INCORPORATED

Condensed Consolidated Statements of Cash Flows

(Amounts in millions)

(unaudited)

	Three Months Ended	
	Sept. 29, 2007	**Sept. 30, 2006**
Operating activities		
Net earnings	$ 41.1	$ 28.2
Adjustments to reconcile net earnings to net cash provided (used) by operating activities:		
Depreciation	12.2	11.0
Amortization of other intangibles	4.3	0.8
Stock-based compensation expense	4.9	4.8
Excess tax benefits from stock-based compensation	(0.5)	(2.7)
Deferred income tax benefit	(4.8)	(15.7)
Loss (gain) on sale of assets	(2.4)	0.1
Changes in operating assets and liabilities, net of effects of acquisition:		
(Increase) decrease in receivables	7.5	10.8
(Increase) decrease in inventories	2.1	0.4
(Increase) decrease in prepaid and other assets	(5.7)	9.6
Increase (decrease) in accounts payable	(19.5)	14.8
Increase (decrease) in accruals and other liabilities	20.2	14.8
Net cash provided by operating activities	59.4	76.9
Investing activities		
Capital expenditures	(15.6)	(11.6)
Acquisition of business	(1.0)	-
Proceeds from disposal of property and equipment	4.9	0.2
Other	1.0	-
Net cash used in investing activities	(10.7)	(11.4)
Financing activities		
Net increase in short-term borrowings	4.9	0.1
Purchase of treasury stock	(21.5)	(25.2)
Proceeds from stock purchase and option plans	2.7	28.3
Excess tax benefits from stock-based compensation	0.5	2.7
Cash dividends paid	(15.8)	(15.9)
Other	(0.2)	-
Net cash used in financing activities	(29.4)	(10.0)
Effect of exchange rate changes on cash and cash equivalents	1.3	0.4
Increase in cash and cash equivalents	20.6	55.9
Cash and cash equivalents at beginning of period	72.0	190.1
Cash and cash equivalents at end of period	$ 92.6	$ 246.0
Supplemental cash flow disclosures		
Cash paid for interest	$ (5.4)	$ (7.2)
Net cash paid for income taxes	(23.1)	(19.7)

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

	Nine Months Ended	
	Sept. 29, 2007	**Sept. 30, 2006**
Operating activities		
Net earnings	$ 123.9	$ 62.1
Adjustments to reconcile net earnings to net cash provided (used) by operating activities:		
Depreciation	37.3	35.4
Amortization of other intangibles	13.0	1.6
Stock-based compensation expense	14.2	11.7
Excess tax benefits from stock-based compensation	(5.8)	(8.8)
Deferred income tax benefit	-	(18.1)
Gain on sale of assets	(2.4)	(0.3)
Loss (gain) on mark to market for cash flow hedges	0.1	(0.2)
Changes in operating assets and liabilities, net of effects of acquisition:		
(Increase) decrease in receivables	14.9	(1.3)
(Increase) decrease in inventories	5.8	(19.2)
(Increase) decrease in prepaid and other assets	0.1	(5.4)
Increase (decrease) in accounts payable	(16.1)	28.8
Increase (decrease) in accruals and other liabilities	(8.1)	64.6
Net cash provided by operating activities	176.9	150.9
Investing activities		
Capital expenditures	(43.2)	(31.5)
Acquisition of business	(5.1)	-
Proceeds from disposal of property and equipment	13.9	11.2
Other	(0.9)	-
Net cash used in investing activities	(35.3)	(20.3)
Financing activities		
Proceeds from issuance of long-term debt	298.5	-
Net decrease in short-term borrowings	(323.3)	(8.4)
Purchase of treasury stock	(85.8)	(83.5)
Proceeds from stock purchase and option plans	38.1	74.3
Excess tax benefits from stock-based compensation	5.8	8.8
Cash dividends paid	(47.4)	(47.7)
Other	(0.6)	-
Net cash used in financing activities	(114.7)	(56.5)
Effect of exchange rate changes on cash and cash equivalents	2.3	1.5
Increase in cash and cash equivalents	29.2	75.6
Cash and cash equivalents at beginning of year	63.4	170.4
Cash and cash equivalents at end of period	$ 92.6	$ 246.0
Supplemental cash flow disclosures		
Cash paid for interest	$ (21.3)	$ (15.0)
Net cash paid for income taxes	(33.8)	(35.7)

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

	Sept. 29, 2007	Dec. 30, 2006
Assets		
Cash and cash equivalents	$ 92.6	$ 63.4
Accounts receivable - net of allowances	566.9	559.2
Inventories	330.6	323.0
Deferred income tax benefits	72.9	76.0
Prepaid expenses and other assets	87.6	91.6
Total current assets	1,150.6	1,113.2
Property and equipment - net	300.9	297.1
Deferred income tax benefits	59.6	55.3
Goodwill	824.6	776.1
Other intangibles - net	215.8	257.8
Pension assets	15.0	14.0
Other assets	159.4	141.0
Total Assets	$ 2,725.9	$ 2,654.5
Liabilities		
Accounts payable	$ 169.1	$ 178.8
Notes payable and current maturities of long-term debt	26.5	43.6
Accrued benefits	39.4	41.4
Accrued compensation	85.1	90.4
Franchisee deposits	47.3	48.5
Deferred subscription revenue	25.9	25.3
Income taxes	28.8	37.8
Other accrued liabilities	210.3	216.2
Total current liabilities	632.4	682.0
Long-term debt	501.6	505.6
Deferred income taxes	83.0	88.9
Retiree health care benefits	67.1	69.6
Pension liabilities	125.1	113.9
Other long-term liabilities	124.1	118.2
Total Liabilities	1,533.3	1,578.2
Shareholders' Equity		
Common stock	67.1	67.1
Additional paid-in capital	134.4	121.9
Retained earnings	1,256.8	1,180.3
Accumulated other comprehensive income (loss)	91.2	21.2
Grantor Stock Trust at fair market value	-	(19.4)
Treasury stock at cost	(356.9)	(294.8)
Total Shareholders' Equity	1,192.6	1,076.3
Total Liabilities and Shareholders' Equity	$ 2,725.9	$ 2,654.5