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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark one)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 28, 2025

OR

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

For the transition period from to

Commission File Number 1-7724

Snap-on Incorporated

(Exact name of registrant as specified in its charter)

Delaware	**39-0622040**
(State of incorporation)	*(I.R.S. Employer Identification No.)*
2801 80th Street, Kenosha, Wisconsin	**53143**
(Address of principal executive offices)	*(Zip code)*

(262) 656-5200

(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $1.00 par value	SNA	New York Stock Exchange

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 (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date:

Class	Outstanding at July 11, 2025
Common Stock, $1.00 par value	52,163,371 shares

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PART I. FINANCIAL INFORMATION

Item 1: Financial Statements

SNAP-ON INCORPORATED
CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS
(Amounts in millions, except per share data)
(Unaudited)

	Three Months Ended		Six Months Ended	
	June 28, 2025	June 29, 2024	June 28, 2025	June 29, 2024
Net sales	$ 1,179.4	$ 1,179.4	$ 2,320.5	$ 2,361.7
Cost of goods sold	(583.9)	(582.1)	(1,146.5)	(1,167.7)
Gross profit	595.5	597.3	1,174.0	1,194.0
Operating expenses	(336.4)	(317.0)	(671.8)	(642.8)
Operating earnings before financial services	259.1	280.3	502.2	551.2
Financial services revenue	101.7	100.5	203.8	200.1
Financial services expenses	(33.5)	(30.3)	(65.3)	(61.6)
Operating earnings from financial services	68.2	70.2	138.5	138.5
Operating earnings	327.3	350.5	640.7	689.7
Interest expense	(12.3)	(12.3)	(24.7)	(24.8)
Other income (expense) – net	14.3	18.7	28.7	36.8
Earnings before income taxes	329.3	356.9	644.7	701.7
Income tax expense	(72.5)	(79.3)	(141.2)	(154.5)
Net earnings	256.8	277.6	503.5	547.2
Net earnings attributable to noncontrolling interests	(6.5)	(6.4)	(12.7)	(12.5)
Net earnings attributable to Snap-on Incorporated	$ 250.3	$ 271.2	$ 490.8	$ 534.7
Net earnings per share attributable to Snap-on Incorporated:				
Basic	$ 4.80	$ 5.15	$ 9.38	$ 10.15
Diluted	4.72	5.07	9.24	9.98
Weighted-average shares outstanding:				
Basic	52.2	52.7	52.3	52.7
Effect of dilutive securities	0.8	0.8	0.8	0.9
Diluted	53.0	53.5	53.1	53.6
Dividends declared per common share	$ 2.14	$ 1.86	$ 4.28	$ 3.72

See Notes to Condensed Consolidated Financial Statements.

SNAP-ON INCORPORATED
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Amounts in millions)
(Unaudited)

	Three Months Ended		Six Months Ended	
	June 28, 2025	June 29, 2024	June 28, 2025	June 29, 2024
Comprehensive income (loss):				
Net earnings	$ 256.8	$ 277.6	$ 503.5	$ 547.2
Other comprehensive income (loss):				
Foreign currency translation	93.4	(12.8)	165.4	(57.6)
Reclassification of cash flow hedges to net earnings, net of tax	(0.4)	(0.4)	(0.8)	(0.8)
Defined benefit pension and postretirement plans:				
Amortization of net unrecognized losses	5.4	2.2	10.6	4.0
Income tax benefit	(1.4)	(0.5)	(2.7)	(0.9)
Net of tax	4.0	1.7	7.9	3.1
Total comprehensive income	353.8	266.1	676.0	491.9
Comprehensive income attributable to noncontrolling interests	(6.5)	(6.4)	(12.7)	(12.5)
Comprehensive income attributable to Snap-on Incorporated	$ 347.3	$ 259.7	$ 663.3	$ 479.4

See Notes to Condensed Consolidated Financial Statements.

SNAP-ON INCORPORATED
CONDENSED CONSOLIDATED BALANCE SHEETS
(Amounts in millions, except share data)
(Unaudited)

	June 28, 2025	December 28, 2024
ASSETS		
Current assets:		
Cash and cash equivalents	$ 1,458.3	$ 1,360.5
Trade and other accounts receivable – net	842.4	815.6
Finance receivables – net	629.2	610.3
Contract receivables – net	114.2	120.0
Inventories – net	997.7	943.4
Prepaid expenses and other current assets	177.8	139.6
Total current assets	4,219.6	3,989.4
Property and equipment:		
Land	35.4	33.7
Buildings and improvements	469.3	462.6
Machinery, equipment and computer software	1,153.2	1,103.7
Property and equipment – gross	1,657.9	1,600.0
Accumulated depreciation	(1,100.1)	(1,057.4)
Property and equipment – net	557.8	542.6
Operating lease right-of-use assets	90.1	89.4
Deferred income tax assets	78.5	78.0
Long-term finance receivables – net	1,305.3	1,312.0
Long-term contract receivables – net	424.3	418.3
Goodwill	1,102.6	1,056.8
Other intangible assets – net	275.1	267.6
Pension assets	130.5	125.4
Other long-term assets	18.0	17.3
Total assets	$ 8,201.8	$ 7,896.8

See Notes to Condensed Consolidated Financial Statements.

SNAP-ON INCORPORATED
CONDENSED CONSOLIDATED BALANCE SHEETS
(Amounts in millions, except share data)
(Unaudited)

	June 28, 2025	December 28, 2024
LIABILITIES AND EQUITY		
Current liabilities:		
Notes payable	$ 17.7	$ 13.7
Accounts payable	269.8	265.9
Accrued benefits	54.7	67.2
Accrued compensation	72.9	86.1
Franchisee deposits	72.1	70.9
Other accrued liabilities	454.3	457.7
Total current liabilities	941.5	961.5
Long-term debt	1,186.0	1,185.5
Deferred income tax liabilities	78.6	73.5
Retiree health care benefits	18.4	19.4
Pension liabilities	77.1	78.4
Operating lease liabilities	67.4	68.6
Other long-term liabilities	93.3	92.9
Total liabilities	2,462.3	2,479.8
Commitments and contingencies (Note 13)		
Equity		
Shareholders' equity attributable to Snap-on Incorporated:		
Preferred stock (authorized 15,000,000 shares of $1 par value; none outstanding)	—	—
Common stock (authorized 250,000,000 shares of $1 par value; issued 67,461,227 and 67,456,641 shares, respectively)	67.5	67.5
Additional paid-in capital	563.3	557.7
Retained earnings	7,850.5	7,584.3
Accumulated other comprehensive loss	(402.5)	(575.0)
Treasury stock at cost (15,299,662 and 15,074,968 shares, respectively)	(2,363.3)	(2,240.4)
Total shareholders' equity attributable to Snap-on Incorporated	5,715.5	5,394.1
Noncontrolling interests	24.0	22.9
Total equity	5,739.5	5,417.0
Total liabilities and equity	$ 8,201.8	$ 7,896.8

See Notes to Condensed Consolidated Financial Statements.

SNAP-ON INCORPORATED
CONDENSED CONSOLIDATED STATEMENTS OF EQUITY
(Amounts in millions, except share data)
(Unaudited)

The following summarizes the changes in total equity for the three month period ended June 28, 2025:

	Shareholders' Equity Attributable to Snap-on Incorporated						
	Common Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Treasury Stock	Noncontrolling Interests	Total Equity
Balance at March 29, 2025	$ 67.5	$ 543.5	$ 7,712.4	$ (499.5)	$ (2,303.1)	$ 23.3	$ 5,544.1
Net earnings for the three months ended June 28, 2025	—	—	250.3	—	—	6.5	256.8
Other comprehensive income	—	—	—	97.0	—	—	97.0
Cash dividends – $2.14 per share	—	—	(111.8)	—	—	—	(111.8)
Stock compensation plans	—	19.8	—	—	18.8	—	38.6
Share repurchases – 250,000 shares	—	—	—	—	(79.0)	—	(79.0)
Other	—	—	(0.4)	—	—	(5.8)	(6.2)
Balance at June 28, 2025	$ 67.5	$ 563.3	$ 7,850.5	$ (402.5)	$ (2,363.3)	$ 24.0	$ 5,739.5

The following summarizes the changes in total equity for the six month period ended June 28, 2025:

	Shareholders' Equity Attributable to Snap-on Incorporated						
	Common Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Treasury Stock	Noncontrolling Interests	Total Equity
Balance at December 28, 2024	$ 67.5	$ 557.7	$ 7,584.3	$ (575.0)	$ (2,240.4)	$ 22.9	$ 5,417.0
Net earnings for the six months ended June 28, 2025	—	—	490.8	—	—	12.7	503.5
Other comprehensive income	—	—	—	172.5	—	—	172.5
Cash dividends – $4.28 per share	—	—	(224.0)	—	—	—	(224.0)
Stock compensation plans	—	5.6	—	—	43.3	—	48.9
Share repurchases – 510,000 shares	—	—	—	—	(166.2)	—	(166.2)
Other	—	—	(0.6)	—	—	(11.6)	(12.2)
Balance at June 28, 2025	$ 67.5	$ 563.3	$ 7,850.5	$ (402.5)	$ (2,363.3)	$ 24.0	$ 5,739.5

See Notes to Condensed Consolidated Financial Statements.

The following summarizes the changes in total equity for the three month period ended June 29, 2024:

	Shareholders' Equity Attributable to Snap-on Incorporated						
	Common Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Treasury Stock	Noncontrolling Interests	Total Equity
Balance at March 30, 2024	$ 67.5	$ 527.4	$ 7,113.1	$ (493.3)	$ (2,073.7)	$ 22.3	$ 5,163.3
Net earnings for the three months ended June 29, 2024	—	—	271.2	—	—	6.4	277.6
Other comprehensive loss	—	—	—	(11.5)	—	—	(11.5)
Cash dividends – $1.86 per share	—	—	(98.0)	—	—	—	(98.0)
Stock compensation plans	—	15.4	—	—	15.9	—	31.3
Share repurchases – 174,000 shares	—	—	—	—	(47.4)	—	(47.4)
Other	—	—	(0.3)	—	—	(6.1)	(6.4)
Balance at June 29, 2024	$ 67.5	$ 542.8	$ 7,286.0	$ (504.8)	$ (2,105.2)	$ 22.6	$ 5,308.9

The following summarizes the changes in total equity for the six month period ended June 29, 2024:

	Shareholders' Equity Attributable to Snap-on Incorporated						
	Common Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Treasury Stock	Noncontrolling Interests	Total Equity
Balance at December 30, 2023	$ 67.5	$ 545.5	$ 6,948.5	$ (449.5)	$ (2,040.7)	$ 22.1	$ 5,093.4
Net earnings for the six months ended June 29, 2024	—	—	534.7	—	—	12.5	547.2
Other comprehensive loss	—	—	—	(55.3)	—	—	(55.3)
Cash dividends – $3.72 per share	—	—	(196.2)	—	—	—	(196.2)
Stock compensation plans	—	(2.7)	—	—	53.1	—	50.4
Share repurchases – 422,000 shares	—	—	—	—	(117.6)	—	(117.6)
Other	—	—	(1.0)	—	—	(12.0)	(13.0)
Balance at June 29, 2024	$ 67.5	$ 542.8	$ 7,286.0	$ (504.8)	$ (2,105.2)	$ 22.6	$ 5,308.9

See Notes to Condensed Consolidated Financial Statements.

SNAP-ON INCORPORATED
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Amounts in millions)
(Unaudited)

	Six Months Ended	
	June 28, 2025	June 29, 2024
Operating activities:		
Net earnings	$ 503.5	$ 547.2
Adjustments to reconcile net earnings to net cash provided (used) by operating activities:		
Depreciation	36.8	36.4
Amortization of other intangible assets	11.6	12.7
Provisions for losses on finance receivables	36.5	35.4
Provisions for losses on non-finance receivables	9.7	11.8
Stock-based compensation expense	13.0	15.8
Deferred income tax provision (benefit)	0.1	(4.4)
Gain on sales of assets	—	(0.3)
Changes in operating assets and liabilities, net of effects of acquisitions:		
Trade and other accounts receivable	(12.1)	(20.8)
Contract receivables	4.7	(3.7)
Inventories	(18.4)	21.9
Prepaid expenses and other assets	(3.5)	(11.9)
Accounts payable	2.6	38.1
Accrued and other liabilities	(48.8)	(28.4)
Net cash provided by operating activities	535.7	649.8
Investing activities:		
Additions to finance receivables	(462.4)	(504.2)
Collections of finance receivables	427.8	422.8
Capital expenditures	(42.6)	(45.0)
Disposals of property and equipment	0.6	1.6
Other	(1.4)	1.4
Net cash used by investing activities	(78.0)	(123.4)
Financing activities:		
Net increase in other short-term borrowings	4.0	0.4
Cash dividends paid	(224.0)	(196.2)
Purchases of treasury stock	(166.2)	(117.6)
Proceeds from stock purchase plans and stock option exercises	45.2	51.7
Other	(23.5)	(30.4)
Net cash used by financing activities	(364.5)	(292.1)
Effect of exchange rate changes on cash and cash equivalents	4.6	(3.1)
Increase in cash and cash equivalents	97.8	231.2
Cash and cash equivalents at beginning of year	1,360.5	1,001.5
Cash and cash equivalents at end of period	$ 1,458.3	$ 1,232.7
Supplemental cash flow disclosures:		
Cash paid for interest	$ (22.1)	$ (22.0)
Net cash paid for income taxes	(155.0)	(153.7)

See Notes to Condensed Consolidated Financial Statements.

SNAP-ON INCORPORATED
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

Note 1: Summary of Accounting Policies

Principles of consolidation and presentation: The Condensed Consolidated Financial Statements include the accounts of Snap-on Incorporated and its wholly owned and majority-owned subsidiaries (collectively, "Snap-on" or the "company"). These financial statements should be read in conjunction with, and have been prepared in conformity with, the accounting principles reflected in the consolidated financial statements and related notes included in Snap-on's 2024 Annual Report on Form 10-K for the fiscal year ended December 28, 2024 ("2024 year end").

The company's 2025 fiscal second quarter ended on June 28, 2025, and its 2024 fiscal second quarter ended on June 29, 2024. The company's 2025 and 2024 fiscal second quarters each contained 13 weeks of operating results. The company's 2025 fiscal year, which ends on January 3, 2026, will contain 53 weeks of operating results, with the additional week occurring in the fourth quarter. The company's 2024 fiscal year contained 52 weeks of operating results. Snap-on's Condensed Consolidated Financial Statements are prepared in conformity with generally accepted accounting principles in the United States of America ("GAAP").

In the opinion of management, all adjustments (consisting of normal recurring adjustments) necessary for the fair presentation of the Condensed Consolidated Financial Statements for the three and six month periods ended June 28, 2025, and June 29, 2024, have been made. Interim results of operations are not necessarily indicative of the results to be expected for the full fiscal year.

Use of estimates: The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Financial instruments: The fair value of the company's derivative financial instruments is generally determined using quoted prices in active markets for similar assets and liabilities. The carrying value of the company's non-derivative financial instruments either approximates fair value, due to their short-term nature, or the amount disclosed for fair value is based upon a discounted cash flow analysis or quoted market values. See Note 8 for additional information on financial instruments.

New accounting standards: In November 2024, the FASB issued ASU No. 2024-03, *Income Statement – Reporting Comprehensive Income – Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*, which requires disaggregated expense information in the notes to the financial statements related to purchases of inventory, employee compensation, depreciation, intangible asset amortization and selling expenses for each statement of earnings line item that contains those expenses. ASU No. 2024-03 is effective for annual reporting periods beginning after December 15, 2026, and interim reporting periods within annual reporting periods beginning after December 15, 2027. The guidance is to be applied on a prospective basis with the option to apply the standard retrospectively; this ASU allows for early adoption. The adoption of this ASU is not expected to have a material impact on Snap-on's Condensed Consolidated Financial Statements.

In December 2023, the FASB issued ASU No. 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, which requires disaggregated information about a reporting entity's effective tax rate reconciliation as well as information on income taxes paid. ASU No. 2023-09 is effective for annual periods beginning after December 15, 2024. The guidance is to be applied on a prospective basis with the option to apply the standard retrospectively. The adoption of this ASU is not expected to have a material impact on Snap-on's Condensed Consolidated Financial Statements.

Note 2: Revenue Recognition

Snap-on recognizes revenue from the sale of tools, diagnostics, equipment, and related services based on when control of the product passes to the customer or the service is provided and is recognized at an amount that reflects the consideration expected to be received in exchange for such goods or services.

SNAP-ON INCORPORATED
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)
(Unaudited)

Revenue Disaggregation: The following table shows the consolidated revenues by revenue source:

(Amounts in millions)	Three Months Ended		Six Months Ended	
	June 28, 2025	June 29, 2024	June 28, 2025	June 29, 2024
Revenue from contracts with customers	$ 1,170.9	$ 1,172.0	$ 2,304.2	$ 2,347.2
Other revenues	8.5	7.4	16.3	14.5
Total net sales	1,179.4	1,179.4	2,320.5	2,361.7
Financial services revenue	101.7	100.5	203.8	200.1
Total revenues	$ 1,281.1	$ 1,279.9	$ 2,524.3	$ 2,561.8

Snap-on evaluates the performance of the Commercial & Industrial Group, the Snap-on Tools Group and the Repair Systems & Information Group operating segments based on segment net sales and segment operating earnings while the Financial Services operating segment is evaluated based on segment revenue and segment operating earnings. The segment net sales of the Snap-on Tools Group reflect external net sales, while the segment net sales of the Commercial & Industrial Group and the Repair Systems & Information Group include both external and intersegment net sales. Snap-on accounts for intersegment net sales and transfers based primarily on standard costs with reasonable mark-ups established between the segments. Intersegment amounts are eliminated to arrive at Snap-on's consolidated financial results.

The following tables represent external net sales disaggregated by geography, based on the customers' billing addresses:

	For the Three Months Ended June 28, 2025					
(Amounts in millions)	Commercial & Industrial Group	Snap-on Tools Group	Repair Systems & Information Group	Financial Services	Eliminations	Snap-on Incorporated
Net sales:						
North America*	$ 150.7	$ 425.4	$ 302.6	$ —	$ —	$ 878.7
Europe	78.0	39.0	68.7	—	—	185.7
All other	60.5	26.6	27.9	—	—	115.0
External net sales	289.2	491.0	399.2	—	—	1,179.4
Intersegment net sales	58.6	—	69.4	—	(128.0)	—
Total net sales	347.8	491.0	468.6	—	(128.0)	1,179.4
Financial services revenue	—	—	—	101.7	—	101.7
Total revenue	$ 347.8	$ 491.0	$ 468.6	$ 101.7	$ (128.0)	$ 1,281.1

	For the Six Months Ended June 28, 2025					
(Amounts in millions)	Commercial & Industrial Group	Snap-on Tools Group	Repair Systems & Information Group	Financial Services	Eliminations	Snap-on Incorporated
Net sales:						
North America*	$ 291.3	$ 820.5	$ 620.3	$ —	$ —	$ 1,732.1
Europe	155.1	80.6	127.9	—	—	363.6
All other	119.5	52.8	52.5	—	—	224.8
External net sales	565.9	953.9	800.7	—	—	2,320.5
Intersegment net sales	125.8	—	143.8	—	(269.6)	—
Total net sales	691.7	953.9	944.5	—	(269.6)	2,320.5
Financial services revenue	—	—	—	203.8	—	203.8
Total revenue	$ 691.7	$ 953.9	$ 944.5	$ 203.8	$ (269.6)	$ 2,524.3

* North America is comprised of the United States, Canada and Mexico.

SNAP-ON INCORPORATED
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)
(Unaudited)

(Amounts in millions)	Commercial & Industrial Group	Snap-on Tools Group	Repair Systems & Information Group	Financial Services	Eliminations	Snap-on Incorporated
	For the Three Months Ended June 29, 2024					
Net sales:						
North America*	$ 163.5	$ 413.4	$ 298.2	$ —	$ —	$ 875.1
Europe	76.8	41.4	67.2	—	—	185.4
All other	64.7	27.2	27.0	—	—	118.9
External net sales	305.0	482.0	392.4	—	—	1,179.4
Intersegment net sales	67.0	—	62.4	—	(129.4)	—
Total net sales	372.0	482.0	454.8	—	(129.4)	1,179.4
Financial services revenue	—	—	—	100.5	—	100.5
Total revenue	$ 372.0	$ 482.0	$ 454.8	$ 100.5	$ (129.4)	$ 1,279.9

(Amounts in millions)	Commercial & Industrial Group	Snap-on Tools Group	Repair Systems & Information Group	Financial Services	Eliminations	Snap-on Incorporated
	For the Six Months Ended June 29, 2024					
Net sales:						
North America*	$ 312.1	$ 846.7	$ 600.3	$ —	$ —	$ 1,759.1
Europe	157.8	81.0	129.3	—	—	368.1
All other	126.1	54.4	54.0	—	—	234.5
External net sales	596.0	982.1	783.6	—	—	2,361.7
Intersegment net sales	135.9	—	135.0	—	(270.9)	—
Total net sales	731.9	982.1	918.6	—	(270.9)	2,361.7
Financial services revenue	—	—	—	200.1	—	200.1
Total revenue	$ 731.9	$ 982.1	$ 918.6	$ 200.1	$ (270.9)	$ 2,561.8

* North America is comprised of the United States, Canada and Mexico.

SNAP-ON INCORPORATED
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)
(Unaudited)

The following tables represent external net sales disaggregated by customer type:

	For the Three Months Ended June 28, 2025					
(Amounts in millions)	Commercial & Industrial Group	Snap-on Tools Group	Repair Systems & Information Group	Financial Services	Eliminations	Snap-on Incorporated
Net sales:						
Vehicle service professionals	$ 20.5	$ 491.0	$ 399.2	$ —	$ —	$ 910.7
All other professionals	268.7	—	—	—	—	268.7
External net sales	289.2	491.0	399.2	—	—	1,179.4
Intersegment net sales	58.6	—	69.4	—	(128.0)	—
Total net sales	347.8	491.0	468.6	—	(128.0)	1,179.4
Financial services revenue	—	—	—	101.7	—	101.7
Total revenue	$ 347.8	$ 491.0	$ 468.6	$ 101.7	$ (128.0)	$ 1,281.1

	For the Six Months Ended June 28, 2025					
(Amounts in millions)	Commercial & Industrial Group	Snap-on Tools Group	Repair Systems & Information Group	Financial Services	Eliminations	Snap-on Incorporated
Net sales:						
Vehicle service professionals	$ 39.5	$ 953.9	$ 800.7	$ —	$ —	$ 1,794.1
All other professionals	526.4	—	—	—	—	526.4
External net sales	565.9	953.9	800.7	—	—	2,320.5
Intersegment net sales	125.8	—	143.8	—	(269.6)	—
Total net sales	691.7	953.9	944.5	—	(269.6)	2,320.5
Financial services revenue	—	—	—	203.8	—	203.8
Total revenue	$ 691.7	$ 953.9	$ 944.5	$ 203.8	$ (269.6)	$ 2,524.3

	For the Three Months Ended June 29, 2024					
(Amounts in millions)	Commercial & Industrial Group	Snap-on Tools Group	Repair Systems & Information Group	Financial Services	Eliminations	Snap-on Incorporated
Net sales:						
Vehicle service professionals	$ 21.0	$ 482.0	$ 392.4	$ —	$ —	$ 895.4
All other professionals	284.0	—	—	—	—	284.0
External net sales	305.0	482.0	392.4	—	—	1,179.4
Intersegment net sales	67.0	—	62.4	—	(129.4)	—
Total net sales	372.0	482.0	454.8	—	(129.4)	1,179.4
Financial services revenue	—	—	—	100.5	—	100.5
Total revenue	$ 372.0	$ 482.0	$ 454.8	$ 100.5	$ (129.4)	$ 1,279.9

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)
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(Amounts in millions)	Commercial & Industrial Group	Snap-on Tools Group	Repair Systems & Information Group	Financial Services	Eliminations	Snap-on Incorporated
	For the Six Months Ended June 29, 2024					
Net sales:						
Vehicle service professionals	$ 41.3	$ 982.1	$ 783.6	$ —	$ —	$ 1,807.0
All other professionals	554.7	—	—	—	—	554.7
External net sales	596.0	982.1	783.6	—	—	2,361.7
Intersegment net sales	135.9	—	135.0	—	(270.9)	—
Total net sales	731.9	982.1	918.6	—	(270.9)	2,361.7
Financial services revenue	—	—	—	200.1	—	200.1
Total revenue	$ 731.9	$ 982.1	$ 918.6	$ 200.1	$ (270.9)	$ 2,561.8

Nature of goods and services: Snap-on derives net sales from a broad line of products and complementary services that are grouped into three categories: (i) tools; (ii) diagnostics, information and management systems; and (iii) equipment. The tools product category includes hand tools, power tools, tool storage products and other similar products. The diagnostics, information and management systems product category includes handheld and computer-based diagnostic products, service and repair information products, diagnostic software solutions, electronic parts catalogs, business management systems and services, point-of-sale systems, integrated systems for vehicle service shops, original equipment manufacturer ("OEM") purchasing facilitation services, and warranty management systems and analytics to help OEM dealership service and repair shops ("OEM dealerships") manage and track performance. The equipment product category includes solutions for the service of vehicles and industrial equipment. Snap-on supports the sale of its diagnostics and vehicle service shop equipment by offering training programs as well as after-sales support to its customers. Through its financial services businesses, Snap-on derives revenue from various financing programs designed to facilitate the sales of its products and support its franchise business.

Approximately 90% of Snap-on's net sales are products sold at a point in time through ship-and-bill performance obligations that also include repair services. The remaining sales revenue is earned over time primarily for software subscriptions, other subscription service agreements and extended warranty programs.

Snap-on enters into contracts related to the selling of tools, diagnostics, repair information, equipment and related services. At contract inception, an assessment of the goods and services promised in the contracts with customers is performed and a performance obligation is identified for each distinct promise to transfer to the customer a good or service (or bundle of goods or services). To identify the performance obligations, Snap-on considers all of the goods or services promised in the contract regardless of whether they are explicitly stated or are implied by customary business practices. Contracts with customers are comprised of customer purchase orders, invoices and written contracts.

For certain performance obligations related to software subscriptions, extended warranty and other subscription agreements that are settled over time, Snap-on has elected not to disclose the value of unsatisfied performance obligations for: (i) contracts that have an original expected length of one year or less; (ii) contracts where revenue is recognized as invoiced; and (iii) contracts with variable consideration related to unsatisfied performance obligations. The remaining duration of these unsatisfied performance obligations range from one month up to 60 months. Snap-on had $197.7 million of long-term contracts that have fixed consideration that extends beyond one year as of June 28, 2025. Snap-on expects to recognize approximately 60% of these contracts as revenue by the end of fiscal 2026, an additional 35% by the end of fiscal 2028, and the balance thereafter.

Contract liabilities: Contract liabilities are recorded when cash payments are received in advance of Snap-on's performance. The timing of payment is typically on a monthly, quarterly or annual basis. The balance of total contract liabilities was $76.7 million and $63.8 million at June 28, 2025, and December 28, 2024, respectively. The current portion of contract liabilities is included in "Other accrued liabilities" and the non-current portion of such liabilities is included in "Other long-term liabilities" on the accompanying Condensed Consolidated Balance Sheets. During the three and six months ended June 28, 2025, Snap-on recognized $11.1 million and $48.1 million of revenue that was included in the contract liability balance at December 28, 2024, which was primarily from the amortization of software subscriptions, extended warranties and other subscription agreements.

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Note 3: Receivables

Trade and other accounts receivable: Snap-on's trade and other accounts receivable primarily arise from the sale of tools, diagnostics, and equipment products to a broad range of industrial and commercial customers and to Snap-on's independent franchise van channel with payment terms generally ranging from 30 to 120 days.

The components of Snap-on's trade and other accounts receivable as of June 28, 2025, and December 28, 2024, are as follows:

(Amounts in millions)	June 28, 2025	December 28, 2024
Trade and other accounts receivable	$ 882.7	$ 852.7
Allowances for credit losses	(40.3)	(37.1)
Total trade and other accounts receivable – net	$ 842.4	$ 815.6

The following is a rollforward of the allowances for credit losses related to trade and other accounts receivable for the three and six month periods ended June 28, 2025, and June 29, 2024:

	Three Months Ended		Six Months Ended	
(Amounts in millions)	June 28, 2025	June 29, 2024	June 28, 2025	June 29, 2024
Allowances for credit losses:				
Beginning of period	$ 39.2	$ 35.9	$ 37.1	$ 34.9
Provisions for credit losses	3.2	6.6	8.1	10.9
Charge-offs	(3.0)	(5.6)	(6.3)	(8.6)
Recoveries	0.3	—	0.4	0.1
Currency translation	0.6	(0.4)	1.0	(0.8)
End of period	$ 40.3	$ 36.5	$ 40.3	$ 36.5

Finance and contract receivables: Snap-on Credit LLC ("SOC"), the company's financial services operation in the United States, originates extended-term finance and contract receivables on sales of Snap-on's products sold through the U.S. franchisee network and to certain other customers of Snap-on; Snap-on's foreign finance subsidiaries provide similar financing internationally. Interest income on finance and contract receivables is included in "Financial services revenue" on the accompanying Condensed Consolidated Statements of Earnings.

Finance receivables are comprised of extended-term payment contracts to both technicians and independent shop owners (i.e., franchisees' customers) to enable them to purchase tools, diagnostics, and equipment products on an extended-term payment plan, with average payment terms of approximately four years.

Contract receivables, with payment terms of up to 10 years, are comprised of extended-term payment contracts to a broad base of customers worldwide, including shop owners, both independents and national chains, for their purchase of tools, diagnostics, and equipment products, as well as extended-term contracts to franchisees to meet a number of financing needs, including working capital loans, loans to enable new franchisees to fund the purchase of the franchise and van leases, or the expansion of an existing franchise. Finance and contract receivables are generally secured by the underlying tools, diagnostics and/or equipment products financed and, for contracts to franchisees, other franchisee assets.

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The components of Snap-on's current finance and contract receivables as of June 28, 2025, and December 28, 2024, are as follows:

(Amounts in millions)	June 28, 2025	December 28, 2024
Finance installment receivables	$ 631.2	$ 616.0
Finance lease receivables, net of unearned finance charges of $8.4 million and $6.5 million, respectively	21.8	17.1
Total finance receivables	653.0	633.1
Contract installment receivables	54.6	61.7
Contract lease receivables, net of unearned finance charges of $22.1 million and $21.9 million, respectively	61.4	60.0
Total contract receivables	116.0	121.7
Total	769.0	754.8
Allowances for credit losses:		
Finance installment receivables	(23.4)	(22.5)
Finance lease receivables	(0.4)	(0.3)
Total finance allowances for credit losses	(23.8)	(22.8)
Contract installment receivables	(0.9)	(0.9)
Contract lease receivables	(0.9)	(0.8)
Total contract allowances for credit losses	(1.8)	(1.7)
Total allowances for credit losses	(25.6)	(24.5)
Total current finance and contract receivables – net	$ 743.4	$ 730.3
Finance receivables – net	$ 629.2	$ 610.3
Contract receivables – net	114.2	120.0
Total current finance and contract receivables – net	$ 743.4	$ 730.3

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The components of Snap-on's finance and contract receivables with payment terms beyond one year as of June 28, 2025, and December 28, 2024, are as follows:

(Amounts in millions)	June 28, 2025	December 28, 2024
Finance installment receivables	$ 1,324.2	$ 1,337.5
Finance lease receivables, net of unearned finance charges of $7.3 million and $5.7 million, respectively	31.3	24.1
Total finance receivables	1,355.5	1,361.6
Contract installment receivables	229.6	223.0
Contract lease receivables, net of unearned finance charges of $36.0 million and $36.3 million, respectively	200.3	200.4
Total contract receivables	429.9	423.4
Total	1,785.4	1,785.0
Allowances for credit losses:		
Finance installment receivables	(49.6)	(49.2)
Finance lease receivables	(0.6)	(0.4)
Total finance allowances for credit losses	(50.2)	(49.6)
Contract installment receivables	(3.4)	(3.3)
Contract lease receivables	(2.2)	(1.8)
Total contract allowances for credit losses	(5.6)	(5.1)
Total allowances for credit losses	(55.8)	(54.7)
Total long-term finance and contract receivables – net	$ 1,729.6	$ 1,730.3
Finance receivables – net	$ 1,305.3	$ 1,312.0
Contract receivables – net	424.3	418.3
Total long-term finance and contract receivables – net	$ 1,729.6	$ 1,730.3

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Credit quality: The company's receivable portfolio is comprised of two portfolio segments, finance and contract receivables, which are the same segments used to estimate expected credit losses reported in the allowances for credit losses. The amortized cost basis for finance and contract receivables is the amount originated adjusted for applicable accrued interest and net of deferred fees or costs, collections, and write-offs. The company monitors and assesses credit risk based on the characteristics of each portfolio segment.

When extending credit, Snap-on evaluates the collectability of the receivables based on a combination of various financial and qualitative factors that may affect a customer's ability to pay. These factors may include the customer's financial condition, past payment experience, and credit bureau and proprietary Snap-on credit model information, as well as the value of the underlying collateral.

For finance and contract receivables, Snap-on assesses quantitative and qualitative factors through the use of credit quality indicators consisting primarily of delinquency classification, collection experience and credit exposure by customer. Delinquency is the primary indicator of credit quality for finance and contract receivables. Snap-on conducts monthly reviews of credit and collection performance for both the finance and contract receivable portfolios focusing on data such as delinquency trends, nonaccrual receivables, and write-off and recovery activity. These reviews allow for the formulation of collection strategies and potential collection policy modifications in response to changing risk profiles in the finance and contract receivable portfolios. The company also maintains a system that aggregates credit exposure and provides delinquency data by days past due aging categories. A receivable 30 days or more past due is considered delinquent. However, customer receivables are monitored prior to becoming 30 days past due.

The amortized cost basis of finance and contract receivables by origination year as of June 28, 2025, and charge-offs recorded in the six months ended June 28, 2025, by origination year, are as follows:

(Amounts in millions)	2025	2024	2023	2022	2021	Prior	Total
Finance receivables:							
Delinquent	$ 4.8	$ 27.6	$ 17.5	$ 7.4	$ 3.1	$ 1.7	$ 62.1
Non-delinquent	824.8	715.7	276.3	95.1	27.5	7.0	1,946.4
Total finance receivables	$ 829.6	$ 743.3	$ 293.8	$ 102.5	$ 30.6	$ 8.7	$ 2,008.5
Finance receivables charge-offs	$ 0.2	$ 15.4	$ 12.7	$ 5.9	$ 2.4	$ 3.9	$ 40.5
Contract receivables:							
Delinquent	$ 0.1	$ 1.2	$ 1.1	$ 0.8	$ 0.2	$ 0.1	$ 3.5
Non-delinquent	101.1	164.7	112.9	72.7	43.7	47.3	542.4
Total contract receivables	$ 101.2	$ 165.9	$ 114.0	$ 73.5	$ 43.9	$ 47.4	$ 545.9
Contract receivables charge-offs	$ —	$ 0.1	$ 0.4	$ 0.3	$ 0.2	$ 0.4	$ 1.4

Allowances for credit losses: The allowances for credit losses are maintained at levels that are considered adequate to cover expected credit losses over the remaining contractual life of the receivables using historical loss experience, asset specific risk characteristics, current conditions, reasonable and supportable forecasts, and an appropriate reversion period, when applicable. Management performs detailed reviews of its receivables on a monthly and/or quarterly basis to assess the adequacy of the allowances and to determine if any impairment has occurred. A receivable generally has credit losses when it is expected that all amounts related to the receivable will not be collected according to the contractual terms of the agreement. Amounts determined to be uncollectable are charged directly against the allowances, while amounts recovered on previously written off accounts increase the allowances.

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)
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For both finance and contract receivables, write-offs include the uncollectable principal amount of the receivable as well as the uncollectable accrued interest, net of repossessions. For finance receivables only, write-offs are partially offset by recourse from franchisees. Recovered principal and interest previously written off are recorded through the allowances for credit losses and increase the allowances. Absent a repossession, finance receivables are typically written off when an account reaches 120 days past due. Repossessed accounts are typically written off within 60 days of asset repossession. Contract receivables related to equipment leases are generally written off when an account becomes 150 days past due, while contract receivables related to franchise finance and van leases are generally written off no later than when the receivable becomes 180 days past the asset return date. For finance and contract receivables, customer bankruptcies are generally written off upon notification that the associated debt is not being reaffirmed or, in any event, no later than when the receivable becomes 180 days past due. Changes to the allowances for credit losses are maintained through adjustments to the provisions for credit losses.

For finance receivables, the company uses a vintage loss rate methodology to determine expected losses. Vintage analysis aims to calculate losses based on the timing of the losses relative to the origination of the receivables. The finance receivable portfolio contains a substantial amount of homogeneous contracts which fits well with the vintage analysis.

For contract receivables, the company primarily uses a Weighted-Average Remaining Maturity ("WARM") methodology. The WARM methodology calculates the average annual write-off rate and applies it to the remaining term of the receivables. The WARM methodology is used since contract receivables have limited loss experience over generally longer terms and, therefore, the predictive loss patterns are more difficult to estimate.

The company performed a correlation analysis to compare historical losses to many economic factors. The primary economic factors considered were real gross domestic product, civilian unemployment, industrial production index, and repair and maintenance employment rate; the company determined that there is limited correlation between the historical losses and economic factors. As a result, consideration was given to qualitative factors to adjust the reserve balance for asset specific risk characteristics, current conditions and future expectations. Similar qualitative factors are considered for both finance and contract receivables. The qualitative factors used in determining the estimate of expected credit losses are influenced by the changes in the composition of the portfolio, underwriting practices, and other relevant conditions that were different from the historical periods.

The allowances for credit losses are adjusted each period for changes in the credit risk and expected lifetime credit losses.

The following is a rollforward of the allowances for credit losses for finance and contract receivables for the three and six month periods ended June 28, 2025, and June 29, 2024:

	Three Months Ended June 28, 2025		Six Months Ended June 28, 2025	
(Amounts in millions)	Finance Receivables	Contract Receivables	Finance Receivables	Contract Receivables
Allowances for credit losses:				
Beginning of period	$ 73.1	$ 7.3	$ 72.4	$ 6.8
Provisions for credit losses	18.3	0.7	36.5	1.6
Charge-offs	(20.5)	(0.8)	(40.5)	(1.4)
Recoveries	2.9	0.2	5.3	0.3
Currency translation	0.2	—	0.3	0.1
End of period	$ 74.0	$ 7.4	$ 74.0	$ 7.4

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(Amounts in millions)	Three Months Ended June 29, 2024		Six Months Ended June 29, 2024	
	Finance Receivables	Contract Receivables	Finance Receivables	Contract Receivables
Allowances for credit losses:				
Beginning of period	$ 69.8	$ 6.8	$ 67.8	$ 6.7
Provisions for credit losses	17.2	0.3	35.4	0.9
Charge-offs	(18.7)	(0.4)	(37.0)	(1.0)
Recoveries	2.8	0.1	5.0	0.2
Currency translation	—	—	(0.1)	—
End of period	$ 71.1	$ 6.8	$ 71.1	$ 6.8

Past due: Depending on the contract, payments for finance and contract receivables are due on a monthly or weekly basis. Weekly payments are converted into a monthly equivalent for purposes of calculating delinquency. Delinquencies are assessed at the end of each month following the monthly equivalent contractual payment due date. The entire receivable balance of a contract is considered delinquent when contractual payments become 30 days past due. Removal from delinquent status occurs when the cumulative amount of monthly contractual payments then due have been received by the company.

It is the general practice of Snap-on's financial services business not to engage in contract or loan modifications. In limited instances, Snap-on's financial services business may modify certain receivables. The amount and number of finance and contract receivable modifications as of June 28, 2025, and December 28, 2024, were immaterial to both the financial services portfolio and the company's results of operations and financial position.

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)
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The aging of finance and contract receivables as of June 28, 2025, and December 28, 2024, is as follows:

(Amounts in millions)	30-59 Days Past Due	60-90 Days Past Due	Greater Than 90 Days Past Due	Total Past Due	Total Not Past Due	Total	Greater Than 90 Days Past Due and Accruing
June 28, 2025:							
Finance receivables	$ 23.2	$ 14.1	$ 24.8	$ 62.1	$ 1,946.4	$ 2,008.5	$ 21.0
Contract receivables	1.7	1.0	0.8	3.5	542.4	545.9	0.1
December 28, 2024:							
Finance receivables	$ 26.6	$ 14.8	$ 26.7	$ 68.1	$ 1,926.6	$ 1,994.7	$ 23.0
Contract receivables	0.9	0.5	1.0	2.4	542.7	545.1	0.2

Nonaccrual: SOC maintains the accrual of interest income during the progression through the various stages of delinquency prior to processing for write-off. At the time of write-off, the entire balance including the accrued but unpaid interest income amount is recorded as a loss.

Finance receivables are generally placed on nonaccrual status (nonaccrual of interest and other fees): (i) when a customer is placed on repossession status; (ii) upon receipt of notification of bankruptcy; (iii) upon notification of the death of a customer; or (iv) in other instances in which management concludes collectability is not reasonably assured.

Contract receivables are generally placed on nonaccrual status: (i) when a receivable is more than 90 days past due or at the point a customer's account is placed on terminated status regardless of its delinquency status; (ii) upon notification of the death of a customer; or (iii) in other instances in which management concludes collectability is not reasonably assured.

The accrual of interest and other fees is resumed when the finance or contract receivable becomes contractually current and collection of all remaining contractual amounts due is reasonably assured. A receivable may have credit losses when it is expected that all amounts related to the receivable will not be collected according to the contractual terms of the applicable agreement. Such finance and contract receivables are covered by the company's respective allowances for credit losses and are written-off against the allowances when appropriate.

The amount of finance and contract receivables on nonaccrual status as of June 28, 2025, and December 28, 2024, is as follows:

(Amounts in millions)	June 28, 2025	December 28, 2024
Finance receivables	$ 12.7	$ 11.3
Contract receivables	2.7	2.5

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Note 4: Inventories

Inventories by major classification are as follows:

(Amounts in millions)	June 28, 2025	December 28, 2024
Finished goods	$ 878.4	$ 840.1
Work in progress	76.8	72.5
Raw materials	167.7	153.2
Total FIFO value	1,122.9	1,065.8
Excess of current cost over LIFO cost	(125.2)	(122.4)
Total inventories – net	$ 997.7	$ 943.4

Inventories accounted for using the first-in, first-out ("FIFO") method approximated 62% and 57% of total inventories as of June 28, 2025, and December 28, 2024, respectively. The company accounts for its non-U.S. inventory on the FIFO method. As of June 28, 2025, approximately 40% of the company's U.S. inventory was accounted for using the FIFO method and 60% was accounted for using the last-in, first-out ("LIFO") method. There were no LIFO inventory liquidations in the three and six month periods ended June 28, 2025, and June 29, 2024.

Note 5: Goodwill and Other Intangible Assets

The changes in the carrying amount of goodwill by segment for the six months ended June 28, 2025, are as follows:

(Amounts in millions)	Commercial & Industrial Group	Snap-on Tools Group	Repair Systems & Information Group	Total
Balance as of December 28, 2024	$ 315.6	$ 12.4	$ 728.8	$ 1,056.8
Currency translation	29.1	—	16.7	45.8
Balance as of June 28, 2025	$ 344.7	$ 12.4	$ 745.5	$ 1,102.6

Additional disclosures related to other intangible assets are as follows:

	June 28, 2025			December 28, 2024		
(Amounts in millions)	Gross Carrying Value	Accumulated Amortization	Net Carrying Value	Gross Carrying Value	Accumulated Amortization	Net Carrying Value
Amortized other intangible assets:						
Customer relationships	$ 79.3	$ (31.6)	$ 47.7	$ 84.2	$ (35.1)	$ 49.1
Developed technology	26.6	(24.6)	2.0	26.6	(23.1)	3.5
Internally developed software	185.7	(141.2)	44.5	179.6	(135.6)	44.0
Patents	52.4	(22.4)	30.0	49.8	(21.4)	28.4
Trademarks	4.1	(2.7)	1.4	3.8	(2.5)	1.3
Other	6.3	(3.0)	3.3	6.1	(2.9)	3.2
Total	354.4	(225.5)	128.9	350.1	(220.6)	129.5
Non-amortized trademarks	146.2	—	146.2	138.1	—	138.1
Total other intangible assets	$ 500.6	$ (225.5)	$ 275.1	$ 488.2	$ (220.6)	$ 267.6

Snap-on completed its annual impairment testing of goodwill and other indefinite-lived intangible assets in the second quarter of 2025, the results of which did not result in any impairment. Provisions for the impairment of goodwill and/or other intangible assets could arise in a future period due to significant and unanticipated changes in circumstances, such as declines in profitability and cash flow due to long-term deterioration in macroeconomic, industry and market conditions, the loss of key customers, changes in technology or markets, changes in key personnel or litigation, a sustained decrease in share price and/or other events. As of June 28, 2025, the company had no accumulated impairment losses.

The weighted-average amortization periods related to other intangible assets are as follows:

	In Years
Customer relationships	14
Developed technology	5
Internally developed software	6
Patents	15
Trademarks	9
Other	39

The weighted-average amortization period for all amortizable intangible assets on a combined basis is 12 years. Intangible asset renewal costs are expensed as incurred.

The aggregate amortization expense was $5.9 million and $11.6 million for the respective three and six month periods ended June 28, 2025, and $6.4 million and $12.7 million for the respective three and six month periods ended June 29, 2024. Based on current levels of amortizable intangible assets and estimated weighted-average useful lives, estimated annual amortization expense is expected to be $22.7 million in 2025, $18.8 million in 2026, $16.2 million in 2027, $12.7 million in 2028, $8.4 million in 2029, and $8.2 million in 2030.

Note 6: Income Taxes

Snap-on's effective income tax rate on earnings attributable to Snap-on was 22.3% and 22.4% in the first six months of fiscal 2025 and 2024, respectively.

Snap-on and its subsidiaries file income tax returns in the United States and in various state, local and foreign jurisdictions. It is reasonably possible that certain unrecognized tax benefits may either be settled with taxing authorities or the statutes of limitations for such items may lapse within the next 12 months, causing Snap-on's gross unrecognized tax benefits to decrease by a range of zero to $0.6 million. Over the next 12 months, Snap-on anticipates taking certain tax positions on various tax returns for which the related tax benefit does not meet the recognition threshold. Accordingly, Snap-on's gross unrecognized tax benefits may increase by a range of zero to $0.9 million over the next 12 months for uncertain tax positions expected to be taken in future tax filings.

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(Unaudited)

Note 7: Short-term and Long-term Debt

Short-term and long-term debt as of June 28, 2025, and December 28, 2024, consisted of the following:

(Amounts in millions)	June 28, 2025	December 28, 2024
3.25% unsecured notes due 2027	$ 300.0	$ 300.0
4.10% unsecured notes due 2048	400.0	400.0
3.10% unsecured notes due 2050	500.0	500.0
Other debt*	3.7	(0.8)
Total debt	1,203.7	1,199.2
Less: notes payable	(17.7)	(13.7)
Total long-term debt	$ 1,186.0	$ 1,185.5

* Includes unamortized debt issuance costs and issuance discounts.

Snap-on has a $900 million multicurrency revolving credit facility that terminates on September 12, 2028 (the "Credit Facility"). The Credit Facility contains an accordion feature that, subject to certain customary conditions, may allow the maximum commitment to be increased by up to $450 million with the approval of the lenders providing additional commitments. No amounts were borrowed or outstanding under the Credit Facility during the six months ended and as of June 28, 2025.

Borrowings under the Credit Facility bear interest at varying rates based on either: (i) Snap-on's then-current, long-term debt ratings; or (ii) Snap-on's then-current ratio of consolidated debt net of certain cash adjustments ("Consolidated Net Debt") to earnings before interest, taxes, depreciation, amortization and certain other adjustments for the preceding four fiscal quarters then ended (the "Consolidated Net Debt to EBITDA Ratio"). The Credit Facility's financial covenant requires that Snap-on maintain, as of each fiscal quarter end, either (i) a ratio not greater than 0.60 to 1.00 of Consolidated Net Debt to the sum of Consolidated Net Debt plus total equity and less accumulated other comprehensive income or loss (the "Leverage Ratio"); or (ii) a Consolidated Net Debt to EBITDA Ratio not greater than 3.50 to 1.00. Snap-on may, up to two times during any five-year period during the term of the Credit Facility (including any extensions thereof), elect to increase the maximum Leverage Ratio to 0.65 to 1.00 and/or increase the maximum Consolidated Net Debt to EBITDA Ratio to 4.00 to 1.00 for four consecutive fiscal quarters in connection with certain material acquisitions (as defined in the related credit agreement). As of June 28, 2025, the company's consolidated cash balance, net of certain adjustments, exceeded consolidated debt resulting in actual ratios of (0.03) and (0.11), respectively. Both ratios are within the permitted ranges set forth in this financial covenant.

Snap-on generally issues commercial paper to fund its financing needs on a short-term basis and uses the Credit Facility as back-up liquidity to support such commercial paper issuances. As of June 28, 2025, there were no commercial paper issuances outstanding.

Note 8: Financial Instruments

Derivatives: All derivative instruments are reported in the Condensed Consolidated Financial Statements at fair value. Changes in the fair value of derivatives are recorded each period in earnings or on the accompanying Condensed Consolidated Balance Sheets, depending on whether the derivative is designated and effective as part of a hedged transaction. Gains or losses on derivative instruments recorded in earnings are presented in the same Condensed Consolidated Statement of Earnings line that is used to present the earnings effect of the hedged item. Gains or losses on derivative instruments in accumulated other comprehensive income (loss) ("Accumulated OCI") are reclassified to earnings in the period in which earnings are affected by the underlying hedged item.

The criteria used to determine if hedge accounting treatment is appropriate are: (i) the designation of the hedge to an underlying exposure; (ii) whether or not overall risk is being reduced; and (iii) if there is a correlation between the value of the derivative instrument and the underlying hedged item. Once a derivative contract is entered into, Snap-on designates the derivative as a fair value hedge, a cash flow hedge, a hedge of a net investment in a foreign operation, or a natural hedging instrument whose change in fair value is recognized as an economic hedge against changes in the value of the hedged item. Snap-on does not use derivative instruments for speculative or trading purposes.

Snap-on is exposed to global market risks, including the effects of changes in foreign currency exchange rates, interest rates, and the company's stock price. The company uses derivatives to manage financial exposures that occur in the normal course of business. The primary risks managed by using derivative instruments are foreign currency risk, interest rate risk and stock-based deferred compensation risk.

Foreign currency risk management: Snap-on has significant international operations and is subject to certain risks inherent with foreign operations that include currency fluctuations. Foreign currency exchange risk exists to the extent that Snap-on has payment obligations or receipts denominated in currencies other than the functional currency, including intercompany loans denominated in foreign currencies. To manage these exposures, Snap-on identifies naturally offsetting positions and then purchases hedging instruments to protect the residual net exposures. Snap-on manages most of these exposures on a consolidated basis, which allows for netting of certain exposures to take advantage of natural offsets. Foreign currency forward contracts ("foreign currency forwards") are used to hedge the net exposures. Gains or losses on net foreign currency hedges are intended to offset losses or gains on the underlying net exposures in an effort to reduce the earnings volatility resulting from fluctuating foreign currency exchange rates. Snap-on's foreign currency forwards are typically not designated as hedges. The fair value changes of these contracts are reported in earnings as foreign exchange gain or loss, which is included in "Other income (expense) – net" on the accompanying Condensed Consolidated Statements of Earnings. See Note 15 for additional information on Other income (expense) – net.

Interest rate risk management: Snap-on may manage the exposure created by the differing maturities and interest rate structures of Snap-on's borrowings through the use of interest rate swap agreements ("interest rate swaps") and treasury lock agreements ("treasury locks").

Interest rate swaps: Snap-on may enter into interest rate swaps to manage risks associated with changing interest rates related to the company's fixed rate borrowings. Interest rate swaps are accounted for as fair value hedges. The differentials paid or received on interest rate swaps are recognized as adjustments to "Interest expense" on the accompanying Condensed Consolidated Statements of Earnings. The change in the fair value of the derivative is recorded in "Long-term debt" on the accompanying Condensed Consolidated Balance Sheets. There were no outstanding interest rate swaps as of both June 28, 2025, and December 28, 2024.

Treasury locks: Snap-on may use treasury locks to manage the potential change in interest rates in anticipation of the issuance of fixed rate debt. Treasury locks are accounted for as cash flow hedges. The differentials to be paid or received on treasury locks related to the anticipated issuance of fixed rate debt are initially recorded in Accumulated OCI for derivative instruments that are designated and qualify as cash flow hedges. Upon the issuance of debt, the related amount in Accumulated OCI is released over the term of the debt and recognized as an adjustment to interest expense on the Condensed Consolidated Statements of Earnings. There were no treasury locks outstanding as of both June 28, 2025, and December 28, 2024. See Note 15 for additional information on Other income (expense) – net.

Stock-based deferred compensation risk management: Snap-on manages market risk associated with the stock-based portion of its deferred compensation plans through the use of prepaid equity forward agreements ("equity forwards"). Equity forwards are used to aid in offsetting the potential mark-to-market effect on stock-based deferred compensation from changes in Snap-on's stock price. Since stock-based deferred compensation liabilities increase as the company's stock price rises and decrease as the company's stock price declines, the equity forwards are intended to mitigate the potential impact on deferred compensation expense that may result from such mark-to-market changes. As of June 28, 2025, and December 28, 2024, Snap-on had equity forwards in place intended to manage market risk with respect to 72,500 shares and 68,100 shares, respectively, of Snap-on common stock associated with its deferred compensation plans.

Counterparty risk: Snap-on is exposed to credit losses in the event of non-performance by the counterparties to its various financial agreements, including its foreign currency forward contracts, interest rate swap agreements, treasury lock agreements and prepaid equity forward agreements. Snap-on does not obtain collateral or other security to support financial instruments subject to credit risk, but monitors the credit standing of the counterparties and generally enters into agreements with financial institution counterparties with a credit rating of A- or better. Snap-on does not anticipate non-performance by its counterparties, but cannot provide assurances.

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)
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Fair value of financial instruments: The fair values of financial instruments that do not approximate the carrying values in the financial statements are as follows:

	June 28, 2025		December 28, 2024	
(Amounts in millions)	Carrying Value	Fair Value	Carrying Value	Fair Value
Finance receivables – net	$ 1,934.5	$ 2,203.0	$ 1,922.3	$ 2,180.9
Contract receivables – net	538.5	579.0	538.3	569.5
Long-term debt and notes payable	1,203.7	951.7	1,199.2	944.2

The following methods and assumptions are used in estimating the fair value of financial instruments:

- Finance and contract receivables include both short-term and long-term receivables. The fair value estimates of finance and contract receivables are derived utilizing discounted cash flow analyses performed on groupings of receivables that are similar in terms of loan type and characteristics. The cash flow analyses consider recent prepayment trends where applicable. The cash flows are discounted over the average life of the receivables using a current market discount rate of a similar term adjusted for credit quality. Significant inputs to the fair value measurements of the receivables are unobservable and, as such, are classified as Level 3.

- Fair value of long-term debt is estimated, using Level 2 fair value measurements, based on quoted market values of Snap-on's publicly traded senior debt. The carrying value of long-term debt includes unamortized debt issuance costs and issuance discounts. The fair value of notes payable approximates such instruments' carrying value due to their short-term nature.

- The fair value of all other financial instruments, including trade and other accounts receivable, accounts payable and other financial instruments, approximates such instruments' carrying value due to their short-term nature.

Note 9: Pension Plans

Snap-on's net periodic pension benefit included the following components:

	Three Months Ended		Six Months Ended	
(Amounts in millions)	June 28, 2025	June 29, 2024	June 28, 2025	June 29, 2024
Service cost	$ 4.7	$ 5.0	$ 9.8	$ 10.0
Interest cost	16.5	16.4	33.1	32.8
Expected return on plan assets	(22.8)	(25.3)	(45.8)	(50.8)
Amortization of unrecognized loss	5.7	2.5	11.2	4.6
Net periodic pension cost (benefit)	$ 4.1	$ (1.4)	$ 8.3	$ (3.4)

The components of net periodic pension cost (benefit), other than the service cost component, are included in "Other income (expense) – net" on the accompanying Condensed Consolidated Statements of Earnings. See Note 15 for additional information on other income (expense) – net.

Snap-on intends to make contributions of $4.3 million to its foreign pension plans and $6.5 million to its domestic pension plans in 2025, as required by law. Depending on market and other conditions, Snap-on may make discretionary cash contributions to its pension plans in 2025.

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Note 10: Postretirement Health Care Plans

Snap-on's net periodic postretirement health care cost included the following components:

	Three Months Ended		Six Months Ended	
(Amounts in millions)	June 28, 2025	June 29, 2024	June 28, 2025	June 29, 2024
Interest cost	$ 0.5	$ 0.4	$ 0.9	$ 0.9
Expected return on plan assets	(0.2)	(0.1)	(0.3)	(0.3)
Amortization of unrecognized gain	(0.3)	(0.3)	(0.6)	(0.6)
Net periodic postretirement health care cost	$ —	$ —	$ —	$ —

The components of net periodic postretirement health care cost, other than the service cost component, are included in "Other income (expense) – net" on the accompanying Condensed Consolidated Statements of Earnings. See Note 15 for additional information on Other income (expense) – net.

Note 11: Stock-based Compensation and Other Stock Plans

The 2011 Incentive Stock and Awards Plan (the "2011 Plan") provides for the grant of stock options, performance share units ("PSUs"), stock appreciation rights ("SARs") and restricted stock awards (which may be designated as "restricted stock units" or "RSUs"). As of June 28, 2025, the 2011 Plan had 1,718,543 shares available for future grants. The company uses treasury stock to deliver shares under the 2011 Plan.

Net stock-based compensation expense was $8.5 million and $13.0 million for the respective three and six month periods ended June 28, 2025, and $6.0 million and $15.8 million for the respective three and six month periods ended June 29, 2024. Cash received from stock purchase plans and stock option exercises totaled $26.9 million and $45.2 million during the respective three and six month periods ended June 28, 2025, and $23.4 million and $51.7 million during the respective three and six month periods ended June 29, 2024. The tax benefit realized from both the exercise and vesting of share-based payment arrangements was $2.2 million and $10.5 million for the respective three and six month periods ended June 28, 2025, and $1.4 million and $11.1 million for the respective three and six month periods ended June 29, 2024.

Stock options: Stock options are granted with an exercise price equal to the market value of a share of Snap-on's common stock on the date of grant and have a contractual term of 10 years. Stock option grants vest ratably on the first, second and third anniversaries of the date of grant.

The fair value of each stock option award is estimated on the date of grant using the Black-Scholes valuation model. The company uses historical data regarding stock option exercise and forfeiture behaviors for different participating groups to estimate the period of time that stock options granted are expected to be outstanding. Expected volatility is based on the historical volatility of the company's stock for the length of time corresponding to the expected term of the stock option. The expected dividend yield is based on the expected annual dividend as a percentage of the market value of our common stock as of the date of grant. The risk-free interest rate is based on the U.S. treasury yield curve on the grant date for the expected term of the stock option.

The following weighted-average assumptions were used in calculating the fair value of stock options granted during the six month periods ended June 28, 2025, and June 29, 2024, using the Black-Scholes valuation model:

	Six Months Ended	
	June 28, 2025	June 29, 2024
Expected term of stock option *(in years)*	4.57	4.90
Expected volatility factor	23.86%	23.63%
Expected dividend yield	2.52%	2.76%
Risk-free interest rate	4.36%	4.30%

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Below is a summary of stock option activity as of and for the six months ended June 28, 2025:

	Shares *(in thousands)*	Exercise Price Per Share*	Remaining Contractual Term* *(in years)*	Aggregate Intrinsic Value *(in millions)*
Outstanding at December 28, 2024	1,670	$ 190.73		
Granted	202	339.73		
Exercised	(153)	170.63		
Forfeited or expired	(14)	276.77		
Outstanding at June 28, 2025	1,705	209.48	5.4	$ 178.9
Exercisable at June 28, 2025	1,299	181.06	4.3	168.9

* Weighted-average

The weighted-average grant date fair value of stock options granted during the respective six month periods ended June 28, 2025, and June 29, 2024, was $70.62 and $55.07. The intrinsic value of stock options exercised was $8.9 million and $24.6 million during the respective three and six month periods ended June 28, 2025, and $5.6 million and $22.7 million during the respective three and six month periods ended June 29, 2024. The fair value of stock options vested was $10.4 million and $9.5 million during the respective six month periods ended June 28, 2025, and June 29, 2024.

As of June 28, 2025, there was $20.7 million of unrecognized compensation cost related to non-vested stock options that is expected to be recognized as a charge to earnings over a weighted-average period of 2.0 years.

Performance share units: PSUs are earned and expensed using the fair value of the award over a contractual term of three years based on the company's performance. Vesting of the PSUs is dependent upon performance relative to pre-defined goals for revenue growth and return on net assets for the applicable performance period. For performance achieved above specified levels, the recipient may earn additional shares of stock, not to exceed 100% of the number of performance awards initially granted. The PSUs have a three-year performance period based on the results of the consolidated financial metrics of the company.

The fair value of PSUs is calculated using the market value of a share of Snap-on's common stock on the date of grant and assumed forfeitures based on recent historical experience; in recent years, forfeitures have not been significant. The weighted-average grant date fair value of PSUs granted during the six month periods ended June 28, 2025, and June 29, 2024, was $339.73 and $269.00, respectively. PSUs related to 62,171 shares and 137,096 shares were paid out during the six month periods ended June 28, 2025, and June 29, 2024, respectively. Earned PSUs vest and are generally paid out following the conclusion of the applicable performance period upon approval by the Organization and Executive Compensation Committee of the company's Board of Directors (the "Board").

Changes to the company's non-vested PSUs during the six months ended June 28, 2025, are as follows:

	Shares *(in thousands)*	Fair Value Price per Share*
Non-vested PSUs at December 28, 2024	113	$ 257.95
Granted	41	339.73
Performance assumption change **	(26)	254.75
Vested	—	—
Cancellations and other	(1)	262.45
Non-vested PSUs at June 28, 2025	127	285.20

* Weighted-average

** Reflects the number of PSUs adjusted based on performance metrics.

As of June 28, 2025, there was $19.1 million of unrecognized compensation cost related to non-vested PSUs that are expected to be recognized as a charge to earnings over a weighted-average period of 1.5 years.

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Restricted stock units: RSUs are earned and expensed using the fair value of the award over the contractual term of three years. Vesting of the RSUs is dependent upon continued employment over the three-year cliff vesting period.

The fair value of RSUs is calculated using the market value of a share of Snap-on's common stock on the date of grant and assumed forfeitures based on recent historical experience; in recent years, forfeitures have not been significant. The weighted-average grant date fair value of RSUs granted during the six month periods ended June 28, 2025, and June 29, 2024, was $339.73 and $269.00, respectively.

Changes to the company's non-vested RSUs during the six months ended June 28, 2025, are as follows:

	Shares *(in thousands)*	Fair Value Price per Share*
Non-vested RSUs at December 28, 2024	70	$ 242.63
Granted	18	339.73
Vested	(24)	212.05
Cancellations and other	—	—
Non-vested RSUs at June 28, 2025	64	282.12

* Weighted-average

As of June 28, 2025, there was $9.6 million of unrecognized compensation cost related to non-vested RSUs that are expected to be recognized as a charge to earnings over a weighted-average period of 1.6 years.

Stock appreciation rights: The company also issues stock-settled and cash-settled SARs to certain key non-U.S. employees. SARs have a contractual term of 10 years and vest ratably on the first, second and third anniversaries of the date of grant. SARs are granted with an exercise price equal to the market value of a share of Snap-on's common stock on the date of grant.

Stock-settled SARs are accounted for as equity instruments and provide for the issuance of Snap-on common stock equal to the amount by which the company's stock has appreciated over the exercise price. Stock-settled SARs have an effect on dilutive shares and shares outstanding as any appreciation of Snap-on's common stock value over the exercise price will be settled in shares of common stock. Cash-settled SARs provide for the cash payment of the excess of the fair market value of Snap-on's common stock price on the date of exercise over the grant price. Cash-settled SARs have no effect on dilutive shares or shares outstanding as any appreciation of Snap-on's common stock over the grant price is paid in cash and not in common stock.

The fair value of stock-settled SARs is estimated on the date of grant using the Black-Scholes valuation model. The fair value of cash-settled SARs is revalued (mark-to-market) each reporting period using the Black-Scholes valuation model based on Snap-on's period-end stock price. The company uses historical data regarding SARs exercise and forfeiture behaviors for different participating groups to estimate the period of time that SARs granted are expected to be outstanding. Expected volatility is based on the historical volatility of the company's stock for the length of time corresponding to the expected term of the SARs. The expected dividend yield is based on the expected annual dividend as a percentage of the market value of our common stock as of the date of grant (for stock-settled SARs) or reporting date (for cash-settled SARs). The risk-free interest rate is based on the U.S. treasury yield curve in effect as of the grant date (for stock-settled SARs) or reporting date (for cash-settled SARs) for the expected term of the SARs.

The following weighted-average assumptions were used in calculating the fair value of stock-settled SARs granted during the six month periods ended June 28, 2025, and June 29, 2024, using the Black-Scholes valuation model:

	Six Months Ended	
	June 28, 2025	June 29, 2024
Expected term of stock-settled SARs *(in years)*	4.11	4.20
Expected volatility factor	23.79%	23.80%
Expected dividend yield	2.52%	2.77%
Risk-free interest rate	4.39%	4.22%

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Below is a summary of stock-settled SARs as of and for the six months ended June 28, 2025:

	Stock-settled SARs *(in thousands)*	Exercise Price Per Share*	Remaining Contractual Term* *(in years)*	Aggregate Intrinsic Value *(in millions)*
Outstanding at December 28, 2024	311	$ 207.64		
Granted	60	339.73		
Exercised	(14)	179.80		
Forfeited or expired	(25)	223.01		
Outstanding at June 28, 2025	332	231.59	6.5	$ 28.1
Exercisable at June 28, 2025	216	194.16	5.2	25.3

* Weighted-average

The weighted-average grant date fair value of stock-settled SARs granted during the six month periods ended June 28, 2025, and June 29, 2024, was $68.11 and $52.12, respectively. The intrinsic value of stock-settled SARs exercised was $0.2 million and $2.2 million during the respective three and six month periods ended June 28, 2025, and $0.1 million and $1.4 million during the respective three and six month periods ended June 29, 2024. The fair value of stock-settled SARs vested was $2.8 million and $2.3 million during the respective six month periods ended June 28, 2025, and June 29, 2024.

As of June 28, 2025, there was $5.7 million of unrecognized compensation cost related to non-vested stock-settled SARs that is expected to be recognized as a charge to earnings over a weighted-average period of 2.0 years.

The following weighted-average assumptions were used in calculating the fair value of cash-settled SARs granted during the six month periods ended June 28, 2025, and June 29, 2024, using the Black-Scholes valuation model:

	Six Months Ended	
	June 28, 2025	June 29, 2024
Expected term of cash-settled SARs *(in years)*	3.78	3.88
Expected volatility factor	24.67%	23.54%
Expected dividend yield	2.75%	2.85%
Risk-free interest rate	3.83%	4.52%

The intrinsic value of cash-settled SARs exercised was zero for both the three and six month periods ended June 28, 2025, and June 29, 2024. The fair value of cash-settled SARs vested was $0.1 million for both the six month periods ended June 28, 2025, and June 29, 2024.

Changes to the company's non-vested cash-settled SARs during the six months ended June 28, 2025, are as follows:

	Cash-settled SARs *(in thousands)*	Fair Value Price per Share*
Non-vested cash-settled SARs at December 28, 2024	2	$ 108.41
Granted	1	47.85
Vested	(1)	81.69
Non-vested cash-settled SARs at June 28, 2025	2	59.67

* Weighted-average

As of June 28, 2025, there was $0.1 million of unrecognized compensation cost related to non-vested cash-settled SARs that is expected to be recognized as a charge to earnings over a weighted-average period of 2.0 years.

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Restricted stock awards – non-employee directors: The company awarded 4,437 shares and 5,391 shares of restricted stock to non-employee directors for the respective six month periods ended June 28, 2025, and June 29, 2024. The fair value of the restricted stock awards is expensed over a one-year vesting period based on the fair value on the date of grant. All restrictions on the restricted stock awards generally lapse upon the earlier of the first anniversary of the grant date, the recipient's death or disability or in the event of a change in control, as defined in the 2011 Plan. If termination of the recipient's service occurs prior to the first anniversary of the grant date for any reason other than death or disability, the shares of restricted stock would be forfeited, unless otherwise determined by the Board.

Employee stock purchase plan: Substantially all Snap-on employees in the United States and Canada are eligible to participate in an employee stock purchase plan. The purchase price of the company's common stock to participants is the lesser of the mean of the high and low prices of the stock on the beginning date (May 15) or ending date (the following May 14) of each plan year. The company records compensation expense when Snap-on's period-end stock price is greater than the plan purchase price. There were 24,680 shares and 21,798 shares issued under this plan for the respective six month periods ended June 28, 2025, and June 29, 2024. As of June 28, 2025, 505,119 shares were reserved for issuance under this plan and Snap-on held participant contributions of approximately $0.5 million. Participants are able to withdraw from the plan at any time prior to the ending date and receive back all contributions made during the plan year. Compensation expense for plan participants was $0.1 million and $0.4 million for the respective three and six month periods ended June 28, 2025. The company recognized a $0.2 million compensation benefit and $0.1 million of compensation expense for plan participants during the respective three and six month periods ended June 29, 2024.

Franchisee stock purchase plan: All franchisees in the United States and Canada are eligible to participate in a franchisee stock purchase plan. The purchase price of the company's common stock to participants is the lesser of the mean of the high and low prices of the stock on the beginning date (May 15) or ending date (the following May 14) of each plan year. The company records mark-to-market expense when Snap-on's period-end stock price is greater than the plan purchase price. There were 43,518 shares and 42,687 shares issued under this plan for the respective six month periods ended June 28, 2025, and June 29, 2024. As of June 28, 2025, 92,531 shares were reserved for issuance under this plan and Snap-on held participant contributions of approximately $1.3 million. Participants are able to withdraw from the plan at any time prior to the ending date and generally receive back all contributions made during the plan year. The company recognized mark-to-market expense of zero and $0.2 million for the respective three and six month periods ended June 28, 2025, and a $0.6 million mark-to-market benefit and $0.1 million of mark-to-market expense during the respective three and six month periods ended June 29, 2024.

Note 12: Earnings Per Share

The shares used in the computation of the company's basic and diluted earnings per common share are as follows:

	Three Months Ended		Six Months Ended	
	June 28, 2025	June 29, 2024	June 28, 2025	June 29, 2024
Weighted-average common shares outstanding	52,211,679	52,661,542	52,285,656	52,701,553
Effect of dilutive securities	798,954	834,342	861,297	881,904
Weighted-average common shares outstanding, assuming dilution	53,010,633	53,495,884	53,146,953	53,583,457

The dilutive effect of the potential exercise of outstanding stock options and stock-settled SARs to purchase common shares is calculated using the treasury stock method. As of June 28, 2025, there were 257,592 awards outstanding that were anti-dilutive. As of June 29, 2024, there were no awards outstanding that were anti-dilutive. Performance-based equity awards are included in the diluted earnings per share calculation based on the attainment of the applicable performance metrics to date.

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Note 13: Commitments and Contingencies

Snap-on provides product warranties for specific product lines and accrues for estimated future warranty cost in the period in which the sale is recorded. Snap-on calculates its accrual requirements based on historic warranty loss experience that is periodically adjusted for recent actual experience, including the timing of claims during the warranty period and actual costs incurred.

Snap-on's product warranty accrual activity for the three and six month periods ended June 28, 2025, and June 29, 2024, is as follows:

	Three Months Ended		Six Months Ended	
(Amounts in millions)	June 28, 2025	June 29, 2024	June 28, 2025	June 29, 2024
Warranty reserve:				
Beginning of period	$ 15.4	$ 14.9	$ 15.2	$ 14.7
Additions	3.7	3.6	7.2	7.6
Usage	(3.7)	(3.3)	(7.0)	(7.1)
End of period	$ 15.4	$ 15.2	$ 15.4	$ 15.2

In the ordinary course of business, Snap-on is subject to legal disputes that are being litigated and/or settled. The accompanying Condensed Consolidated Statements of Earnings for the three and six months ended June 29, 2024, include benefits in "Operating expenses" of $11.2 million and $22.5 million, respectively, for the final payments received associated with a legal matter. Although it is not possible to predict the outcome of legal matters, management believes that the results of all legal matters will not have a material impact on Snap-on's consolidated financial position, results of operations or cash flows.

Note 14: Leases

Lessee accounting: Supplemental balance sheet information related to leases as of June 28, 2025, and December 28, 2024, is as follows:

(Amounts in millions)	June 28, 2025	December 28, 2024
Finance leases:		
Property and equipment – gross	$ 2.4	$ 17.0
Accumulated depreciation	(0.8)	(15.5)
Property and equipment – net	$ 1.6	$ 1.5
Other accrued liabilities	$ 0.5	$ 0.5
Other long-term liabilities	1.2	1.0
Total finance lease liabilities	$ 1.7	$ 1.5
Operating leases:		
Operating lease right-of-use assets	$ 90.1	$ 89.4
Other accrued liabilities	$ 27.7	$ 25.0
Operating lease liabilities	67.4	68.6
Total operating lease liabilities	$ 95.1	$ 93.6

Lessor accounting: Snap-on's Financial Services business offers lease financing to support the sales of tools, diagnostics, and equipment products, as well as vehicle leases for franchisees. Sales-type leases are included in both "Finance receivables – net" and "Long-term finance receivables – net" and also in both "Contract receivables – net" and "Long-term contract receivables – net" on the accompanying Condensed Consolidated Balance Sheets.

See Note 3 for additional information on finance and contract receivables.

Note 15: Other Income (Expense) – Net

"Other income (expense) – net" on the accompanying Condensed Consolidated Statements of Earnings consists of the following:

	Three Months Ended		Six Months Ended	
(Amounts in millions)	June 28, 2025	June 29, 2024	June 28, 2025	June 29, 2024
Interest income	$ 14.1	$ 14.2	$ 28.0	$ 27.1
Net foreign exchange loss	(0.4)	(1.5)	(1.0)	(3.5)
Net periodic pension and postretirement benefits – non-service	0.6	6.4	1.5	13.4
Other	—	(0.4)	0.2	(0.2)
Total other income (expense) – net	$ 14.3	$ 18.7	$ 28.7	$ 36.8

SNAP-ON INCORPORATED
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)
(Unaudited)

Note 16: Accumulated Other Comprehensive Income (Loss)

Below is a summary of net changes in Accumulated OCI by component and net of tax for the three months ended June 28, 2025:

(Amounts in millions)	Foreign Currency Translation	Cash Flow Hedges	Defined Benefit Pension and Postretirement Plans	Total
Balance as of March 29, 2025	$ (248.6)	$ 3.6	$ (254.5)	$ (499.5)
Other comprehensive income before reclassifications	93.4	—	—	93.4
Amounts reclassified from Accumulated OCI	—	(0.4)	4.0	3.6
Net other comprehensive income (loss)	93.4	(0.4)	4.0	97.0
Balance as of June 28, 2025	$ (155.2)	$ 3.2	$ (250.5)	$ (402.5)

Below is a summary of net changes in Accumulated OCI by component and net of tax for the six months ended June 28, 2025:

(Amounts in millions)	Foreign Currency Translation	Cash Flow Hedges	Defined Benefit Pension and Postretirement Plans	Total
Balance as of December 28, 2024	$ (320.6)	$ 4.0	$ (258.4)	$ (575.0)
Other comprehensive income before reclassifications	165.4	—	—	165.4
Amounts reclassified from Accumulated OCI	—	(0.8)	7.9	7.1
Net other comprehensive income (loss)	165.4	(0.8)	7.9	172.5
Balance as of June 28, 2025	$ (155.2)	$ 3.2	$ (250.5)	$ (402.5)

Below is a summary of net changes in Accumulated OCI by component and net of tax for the three months ended June 29, 2024:

(Amounts in millions)	Foreign Currency Translation	Cash Flow Hedges	Defined Benefit Pension and Postretirement Plans	Total
Balance as of March 30, 2024	$ (256.6)	$ 5.3	$ (242.0)	$ (493.3)
Other comprehensive loss before reclassifications	(12.8)	—	—	(12.8)
Amounts reclassified from Accumulated OCI	—	(0.4)	1.7	1.3
Net other comprehensive income (loss)	(12.8)	(0.4)	1.7	(11.5)
Balance as of June 29, 2024	$ (269.4)	$ 4.9	$ (240.3)	$ (504.8)

SNAP-ON INCORPORATED
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)
(Unaudited)

Below is a summary of net changes in Accumulated OCI by component and net of tax for the six months ended June 29, 2024:

(Amounts in millions)	Foreign Currency Translation	Cash Flow Hedges	Defined Benefit Pension and Postretirement Plans	Total
Balance as of December 30, 2023	$ (211.8)	$ 5.7	$ (243.4)	$ (449.5)
Other comprehensive loss before reclassifications	(57.6)	—	—	(57.6)
Amounts reclassified from Accumulated OCI	—	(0.8)	3.1	2.3
Net other comprehensive income (loss)	(57.6)	(0.8)	3.1	(55.3)
Balance as of June 29, 2024	$ (269.4)	$ 4.9	$ (240.3)	$ (504.8)

The reclassifications out of Accumulated OCI for the three and six month periods ended June 28, 2025, and June 29, 2024, are as follows:

	Amount Reclassified from Accumulated OCI				
	Three Months Ended		Six Months Ended		
(Amounts in millions)	June 28, 2025	June 29, 2024	June 28, 2025	June 29, 2024	Statement of Earnings Presentation
Gains on cash flow hedges:					
Treasury locks	$ 0.4	$ 0.4	$ 0.8	$ 0.8	Interest expense
Income tax expense	—	—	—	—	Income tax expense
Net of tax	0.4	0.4	0.8	0.8	
Amortization of net unrecognized losses:	$ (5.4)	$ (2.2)	$ (10.6)	$ (4.0)	See footnote below*
Income tax benefit	1.4	0.5	2.7	0.9	Income tax expense
Net of tax	(4.0)	(1.7)	(7.9)	(3.1)	
Total reclassifications for the period, net of tax	$ (3.6)	$ (1.3)	$ (7.1)	$ (2.3)	

* These Accumulated OCI components are included in the computation of net periodic pension and postretirement health care costs; see Note 9 and Note 10 for additional information.

SNAP-ON INCORPORATED
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)
(Unaudited)

Note 17: Segments

Snap-on's operating segments, which represent Snap-on's reportable segments, are based on the organizational structure used by the Chief Executive Officer, its chief operating decision maker ("CODM"), to make operating and investment determinations and to assess performance. Snap-on's reportable operating segments are: (i) the Commercial & Industrial Group; (ii) the Snap-on Tools Group; (iii) the Repair Systems & Information Group; and (iv) Financial Services. The Commercial & Industrial Group consists of business operations serving a broad range of industrial and commercial customers worldwide, including customers in the aerospace, natural resources, government and military, power generation, transportation and technical education market segments (collectively, "critical industries"), primarily through direct and distributor channels. The Snap-on Tools Group consists of business operations primarily serving vehicle service and repair technicians through the company's multinational mobile tool distribution channel. The Repair Systems & Information Group consists of business operations serving other professional vehicle repair customers worldwide, primarily owners and managers of independent repair shops and OEM dealerships, through direct and distributor channels. Financial Services consists of the business operations of Snap-on's finance subsidiaries.

The CODM evaluates the performance of the Commercial & Industrial Group, the Snap-on Tools Group and the Repair Systems & Information Group operating segments based on segment net sales and segment operating earnings. The segment net sales of the Snap-on Tools Group reflect external net sales, while the segment net sales of the Commercial & Industrial Group and the Repair Systems & Information Group include both external and intersegment net sales. Snap-on accounts for intersegment net sales and transfers based primarily on standard costs with reasonable mark-ups established between the segments. The Financial Services operating segment is evaluated based on financial services revenue and segment operating earnings. Segment net sales and segment operating earnings are used to determine the compensation of certain management employees.

Identifiable assets by segment are those assets used in the respective reportable segment's operations. Corporate assets consist of cash and cash equivalents (excluding cash held at Financial Services), deferred income taxes and certain other assets. Corporate expenses primarily reflect stock-based compensation and other costs not attributable to an operating segment. Intersegment amounts are eliminated to arrive at Snap-on's consolidated financial results.

SNAP-ON INCORPORATED
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)
(Unaudited)

Financial Data by Segment:

	Three Months Ended June 28, 2025				
(Amounts in millions)	Commercial & Industrial Group	Snap-on Tools Group	Repair Systems & Information Group	Financial Services	Total Segments
External net sales	$ 289.2	$ 491.0	$ 399.2	$ —	$ 1,179.4
Intersegment net sales	58.6	—	69.4	—	128.0
Segment net sales	347.8	491.0	468.6	—	1,307.4
Segment cost of goods sold	(208.6)	(253.8)	(249.5)	—	(711.9)
Segment gross profit	139.2	237.2	219.1	—	595.5
Financial services revenue	—	—	—	101.7	101.7
Segment operating and financial services expenses					
Personnel	(55.8)	(46.8)	(64.9)	(9.1)	
Shipping and handling costs	(7.6)	(19.9)	—	—	
Depreciation and amortization	(1.6)	(1.9)	(4.5)	(0.2)	
Provisions for credit losses	—	—	—	(19.0)	
Other segment expenses*	(27.3)	(51.9)	(29.9)	(5.2)	
Total segment operating and financial services expenses	(92.3)	(120.5)	(99.3)	(33.5)	(345.6)
Segment operating earnings	$ 46.9	$ 116.7	$ 119.8	$ 68.2	$ 351.6

Reconciliation of segment net sales to total net sales and total revenues:	
Segment net sales	$ 1,307.4
Intersegment eliminations	(128.0)
Total net sales	1,179.4
Financial services revenue	101.7
Total revenues	$ 1,281.1
Reconciliation of segment cost of goods sold to cost of goods sold:	
Segment cost of goods sold	$ (711.9)
Intersegment eliminations	128.0
Cost of goods sold	$ (583.9)
Reconciliation of segment operating earnings to operating earnings and earnings before income taxes:	
Segment operating earnings	$ 351.6
Corporate operating expenses	(24.3)
Operating earnings	327.3
Interest expense	(12.3)
Other income (expense) – net	14.3
Earnings before income taxes	$ 329.3

* Other segment expenses primarily include:

Commercial & Industrial Group - shared service allocations; technology, travel and marketing expenses.

Snap-on Tools Group - franchisee support costs, shared service allocations and technology expenses.

Repair Systems & Information Group - technology, travel, professional fee and marketing expenses; shared service allocations.

Financial Services - customer support and technology expenses.

SNAP-ON INCORPORATED
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)
(Unaudited)

Financial Data by Segment (continued):

	Six Months Ended June 28, 2025				
(Amounts in millions)	Commercial & Industrial Group	Snap-on Tools Group	Repair Systems & Information Group	Financial Services	Total Segments
External net sales	$ 565.9	$ 953.9	$ 800.7	$ —	$ 2,320.5
Intersegment net sales	125.8	—	143.8	—	269.6
Segment net sales	691.7	953.9	944.5	—	2,590.1
Segment cost of goods sold	(406.0)	(502.2)	(507.9)	—	(1,416.1)
Segment gross profit	285.7	451.7	436.6	—	1,174.0
Financial services revenue	—	—	—	203.8	203.8
Segment operating and financial services expenses					
Personnel	(111.7)	(95.2)	(130.0)	(17.9)	
Shipping and handling costs	(15.1)	(38.4)	—	—	
Depreciation and amortization	(3.4)	(3.7)	(9.0)	(0.4)	
Provisions for credit losses	—	—	—	(38.1)	
Other segment expenses*	(55.4)	(105.3)	(55.7)	(8.9)	
Total segment operating and financial services expenses	(185.6)	(242.6)	(194.7)	(65.3)	(688.2)
Segment operating earnings	$ 100.1	$ 209.1	$ 241.9	$ 138.5	$ 689.6

Reconciliation of segment net sales to total net sales and total revenues:	
Segment net sales	$ 2,590.1
Intersegment eliminations	(269.6)
Total net sales	2,320.5
Financial services revenue	203.8
Total revenues	$ 2,524.3
Reconciliation of segment cost of goods sold to cost of goods sold:	
Segment cost of goods sold	$ (1,416.1)
Intersegment eliminations	269.6
Cost of goods sold	$ (1,146.5)
Reconciliation of segment operating earnings to operating earnings and earnings before income taxes:	
Segment operating earnings	$ 689.6
Corporate operating expenses	(48.9)
Operating earnings	640.7
Interest expense	(24.7)
Other income (expense) – net	28.7
Earnings before income taxes	$ 644.7

* Other segment expenses primarily include:

Commercial & Industrial Group - shared service allocations; technology, travel and marketing expenses.

Snap-on Tools Group - franchisee support costs, shared service allocations and technology expenses.

Repair Systems & Information Group - technology, travel, professional fee and marketing expenses; shared service allocations.

Financial Services - customer support and technology expenses.

SNAP-ON INCORPORATED
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)
(Unaudited)

Financial Data by Segment (continued):

	Three Months Ended June 29, 2024				
(Amounts in millions)	Commercial & Industrial Group	Snap-on Tools Group	Repair Systems & Information Group	Financial Services	Total Segments
External net sales	$ 305.0	$ 482.0	$ 392.4	$ —	$ 1,179.4
Intersegment net sales	67.0	—	62.4	—	129.4
Segment net sales	372.0	482.0	454.8	—	1,308.8
Segment cost of goods sold	(216.7)	(246.8)	(248.0)	—	(711.5)
Segment gross profit	155.3	235.2	206.8	—	597.3
Financial services revenue	—	—	—	100.5	100.5
Segment operating and financial services expenses					
Personnel	(54.6)	(45.9)	(63.1)	(8.5)	
Shipping and handling costs	(7.4)	(21.6)	—	—	
Depreciation and amortization	(2.0)	(1.8)	(5.2)	(0.2)	
Provisions for credit losses	—	—	—	(17.5)	
Other segment expenses*	(29.1)	(51.1)	(24.9)	(4.1)	
Total segment operating and financial services expenses	(93.1)	(120.4)	(93.2)	(30.3)	(337.0)
Segment operating earnings	$ 62.2	$ 114.8	$ 113.6	$ 70.2	$ 360.8
Reconciliation of segment net sales to total net sales and total revenues:					
Segment net sales					$ 1,308.8
Intersegment eliminations					(129.4)
Total net sales					1,179.4
Financial services revenue					100.5
Total revenues					$ 1,279.9
Reconciliation of segment cost of goods sold to cost of goods sold:					
Segment cost of goods sold					$ (711.5)
Intersegment eliminations					129.4
Cost of goods sold					$ (582.1)
Reconciliation of segment operating earnings to operating earnings and earnings before income taxes:					
Segment operating earnings					$ 360.8
Corporate operating expenses					(10.3)
Operating earnings					350.5
Interest expense					(12.3)
Other income (expense) – net					18.7
Earnings before income taxes					$ 356.9

* Other segment expenses primarily include:

Commercial & Industrial Group - shared service allocations; technology, travel and marketing expenses.

Snap-on Tools Group - franchisee support costs, shared service allocations and technology expenses.

Repair Systems & Information Group - technology, travel, professional fee and marketing expenses; shared service allocations.

Financial Services - customer support and technology expenses.

SNAP-ON INCORPORATED
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)
(Unaudited)

Financial Data by Segment (continued):

	Six Months Ended June 29, 2024				
(Amounts in millions)	Commercial & Industrial Group	Snap-on Tools Group	Repair Systems & Information Group	Financial Services	Total Segments
External net sales	$ 596.0	$ 982.1	$ 783.6	$ —	$ 2,361.7
Intersegment net sales	135.9	—	135.0	—	270.9
Segment net sales	731.9	982.1	918.6	—	2,632.6
Segment cost of goods sold	(429.9)	(505.8)	(502.9)	—	(1,438.6)
Segment gross profit	302.0	476.3	415.7	—	1,194.0
Financial services revenue	—	—	—	200.1	200.1
Segment operating and financial services expenses					
Personnel	(109.7)	(95.1)	(127.3)	(17.2)	
Shipping and handling costs	(13.5)	(44.2)	—	—	
Depreciation and amortization	(4.1)	(3.7)	(10.6)	(0.5)	
Provisions for credit losses	—	—	—	(36.3)	
Other segment expenses*	(57.1)	(101.2)	(51.3)	(7.6)	
Total segment operating and financial services expenses	(184.4)	(244.2)	(189.2)	(61.6)	(679.4)
Segment operating earnings	$ 117.6	$ 232.1	$ 226.5	$ 138.5	$ 714.7

Reconciliation of segment net sales to total net sales and total revenues:	
Segment net sales	$ 2,632.6
Intersegment eliminations	(270.9)
Total net sales	2,361.7
Financial services revenue	200.1
Total revenues	$ 2,561.8
Reconciliation of segment cost of goods sold to cost of goods sold:	
Segment cost of goods sold	$ (1,438.6)
Intersegment eliminations	270.9
Cost of goods sold	$ (1,167.7)
Reconciliation of segment operating earnings to operating earnings and earnings before income taxes:	
Segment operating earnings	$ 714.7
Corporate operating expenses	(25.0)
Operating earnings	689.7
Interest expense	(24.8)
Other income (expense) – net	36.8
Earnings before income taxes	$ 701.7

* Other segment expenses primarily include:

Commercial & Industrial Group - shared service allocations; technology, travel and marketing expenses.

Snap-on Tools Group - franchisee support costs, shared service allocations and technology expenses.

Repair Systems & Information Group - technology, travel, professional fee and marketing expenses; shared service allocations.

Financial Services - customer support and technology expenses.

SNAP-ON INCORPORATED
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (continued)
(Unaudited)

Financial Data by Segment (continued):

(Amounts in millions)	June 28, 2025	December 28, 2024
Assets:		
Commercial & Industrial Group	$ 1,303.7	$ 1,230.8
Snap-on Tools Group	965.7	937.5
Repair Systems & Information Group	1,759.8	1,695.5
Financial Services	2,508.0	2,491.9
Total assets from reportable segments	6,537.2	6,355.7
Corporate	1,744.4	1,633.0
Elimination of intersegment receivables	(79.8)	(91.9)
Total assets	$ 8,201.8	$ 7,896.8

Item 2: Management's Discussion and Analysis of Financial Condition and Results of Operations

Caution Regarding Forward-Looking Statements:

Statements in this document that are not historical facts, including statements that (i) are in the future tense, (ii) include the words "expects," "plans," "targets," "estimates," "believes," "anticipates," or similar words that reference Snap-on Incorporated ("Snap-on" or "the company") or its management, (iii) are specifically identified as forward-looking, or (iv) describe 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 any forward-looking statements included in this document that are based upon assumptions and estimates were developed by management in good faith and are subject to risks, uncertainties or other factors that could cause (and in some cases have caused) actual results to differ materially from those described in any such statement. Accordingly, forward-looking statements should not be relied upon as a prediction of actual results or regarded as a representation by the company or its management that the projected results will be achieved. For those forward-looking statements, Snap-on cautions the reader that numerous important factors, such as those listed below, as well as those factors discussed in its Annual Report on Form 10-K for the fiscal year ended December 28, 2024 ("2024 year end"), particularly those in Part I, Item 1A: Risk Factors, and those discussed in this document, could affect the company's actual results and could cause its actual consolidated results to differ materially from those expressed in any forward-looking statement made by, or on behalf of, Snap-on.

Risks and uncertainties include, without limitation:

- Uncertainties related to estimates, assumptions and projections generally;
- The timing and progress with which Snap-on can attain value through its Snap-on Value Creation Processes, including its ability to (i) realize efficiencies and savings from its rapid continuous improvement and other cost reduction initiatives, (ii) improve workforce productivity, (iii) achieve improvements in the company's manufacturing footprint and greater efficiencies in its supply chain, and (iv) enhance machine maintenance, plant productivity and manufacturing line set-up and change-over practices, any or all of which could result in production inefficiencies, higher costs and/or lost revenues;
- Snap-on's capability to successfully implement future strategies with respect to its existing businesses, including increasing or optimizing selling, designing, or manufacturing capacity;
- Snap-on's ability to refine its brand and franchise strategies, retain and attract franchisees, and further enhance service and value to franchisees in order to help improve the sales and profitability of franchisees;
- The company's ability to introduce successful new products;
- Inflation, interest rate changes and other monetary and market fluctuations;
- Price and supply fluctuations related to raw materials, components and certain purchased finished goods, such as steel, plastics, and electronics;
- The effects of external economic factors, including adverse developments in world financial markets, disruptions related to tariffs and other trade or sanction issues, and global supply chain inefficiencies, including as a result of the ongoing war in Ukraine, as well as conflicts in the Middle East and other regions;
- Significant changes in the current competitive environment;
- Risks related to pursuing, completing and integrating acquisitions;
- Snap-on's ability to successfully manage changes in prices and the availability of energy;
- The company's ability to withstand disruption arising from natural disasters, including climate-related events or other unusual occurrences;
- Risks associated with data security and technological systems and protections, including the effects of cyber incidents and from new legislation, regulations or government-related developments;
- Snap-on's ability to effectively manage human capital resources;
- The impact of production and sourcing challenges, including labor interruptions and supply chain disruptions, to both Snap-on and relevant third parties;
- Weakness in certain geographic areas, including as a result of localized recessions;
- Changes in tax rates, laws and regulations as well as uncertainty surrounding potential changes;
- The amount, rate and growth of health care and postretirement costs, including continuing and potentially increasing required contributions to pension and postretirement plans;

- The effects of new or changing requirements, legislation, regulations or government-related developments or issues, as well as third party actions, including those addressing climate change;
- Potential reputational damages and costs related to litigation;
- The impact of outbreaks of infectious diseases as well as the effects of governmental actions related thereto on Snap-on's business, which could have the potential to amplify the impact of the other risks facing the company; and
- Other world or local events outside Snap-on's control, including terrorist disruptions, armed conflicts and civil unrest.

Snap-on disclaims any responsibility to update any forward-looking statement provided in this document, except as required by law.

In addition, investors should be aware that generally accepted accounting principles in the United States of America ("GAAP") prescribe when a company should reserve for particular risks, including litigation exposures. Accordingly, results for a given reporting period could be significantly affected if and when a reserve is established for a major contingency. Reported results, therefore, may appear to be volatile in certain accounting periods.

Non-GAAP Measures

References in Management's Discussion and Analysis of Financial Condition and Results of Operations to "organic sales" refer to sales from continuing operations calculated in accordance with GAAP, adjusted to exclude acquisition-related sales and the impact of foreign currency translation. Management evaluates the company's sales performance based on organic sales growth, which primarily reflects growth from the company's existing businesses as a result of increased output, expanded customer base, geographic expansion, new product development and pricing changes, and excludes sales contributions from acquired operations the company did not own as of the comparable prior-year reporting period. Organic sales also exclude the effects of foreign currency translation as foreign currency translation is subject to volatility that can obscure underlying business trends. Management believes that the non-GAAP financial measure of organic sales is meaningful to investors as it provides them with useful information to aid in identifying underlying growth trends in the company's businesses and facilitates comparisons of its sales performance with prior periods.

Recent Developments

As disclosed in Part I, Item 1A: Risk Factors, of our Annual Report on Form 10-K for the fiscal year ended December 28, 2024, the company's business is subject to risks related to, among other factors, tariffs and other trade protection measures put in the place by the United States or other countries, as well as U.S. international trade relations, including those with China, Canada and the European Union. Starting in the first quarter of 2025, the United States government announced additional tariffs on goods imported into the U.S. from numerous countries and multiple nations countered with reciprocal tariffs and other actions in response. The U.S. government continues to negotiate with other countries regarding the tariffs. While the company is relatively advantaged in the tariff environment, generally manufacturing products in the markets where they are sold, its costs can be affected by trade policies. In that regard, in the second quarter of 2025, Snap-on mitigated the effects of incremental tariffs.

SNAP-ON INCORPORATED
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
(continued)

RESULTS OF OPERATIONS

Results of operations for the three months ended June 28, 2025, and June 29, 2024, are as follows:

	Three Months Ended					
(Amounts in millions)	June 28, 2025		June 29, 2024		Change	
Net sales	$ 1,179.4	100.0 %	$ 1,179.4	100.0 %	$ —	— %
Cost of goods sold	(583.9)	(49.5)%	(582.1)	(49.4)%	(1.8)	(0.3)%
Gross profit	595.5	50.5 %	597.3	50.6 %	(1.8)	(0.3)%
Operating expenses	(336.4)	(28.5)%	(317.0)	(26.8)%	(19.4)	(6.1)%
Operating earnings before financial services	259.1	22.0 %	280.3	23.8 %	(21.2)	(7.6)%
Financial services revenue	101.7	100.0 %	100.5	100.0 %	1.2	1.2 %
Financial services expenses	(33.5)	(32.9)%	(30.3)	(30.1)%	(3.2)	(10.6)%
Operating earnings from financial services	68.2	67.1 %	70.2	69.9 %	(2.0)	(2.8)%
Operating earnings	327.3	25.5 %	350.5	27.4 %	(23.2)	(6.6)%
Interest expense	(12.3)	(1.0)%	(12.3)	(1.0)%	—	— %
Other income (expense) – net	14.3	1.2 %	18.7	1.5 %	(4.4)	(23.5)%
Earnings before income taxes	329.3	25.7 %	356.9	27.9 %	(27.6)	(7.7)%
Income tax expense	(72.5)	(5.7)%	(79.3)	(6.2)%	6.8	8.6 %
Net earnings	256.8	20.0 %	277.6	21.7 %	(20.8)	(7.5)%
Net earnings attributable to noncontrolling interests	(6.5)	(0.5)%	(6.4)	(0.5)%	(0.1)	(1.6)%
Net earnings attributable to Snap-on Inc.	$ 250.3	19.5 %	$ 271.2	21.2 %	$ (20.9)	(7.7)%

Percentage Disclosure: All income statement line item percentages below "Operating earnings from financial services" are calculated as a percentage of the sum of Net sales and Financial services revenue.

Net sales of $1,179.4 million in the second quarter of 2025 were unchanged from 2024 levels, reflecting an $8.6 million, or 0.7%, organic decline, offset by $8.6 million of favorable foreign currency translation.

Gross profit of $595.5 million in the second quarter of 2025 compared to $597.3 million last year. Gross margin (gross profit as a percentage of net sales) in the quarter decreased 10 basis points (100 basis points ("bps") equals 1.0 percent) from the second quarter of 2024 primarily reflecting 50 bps of unfavorable foreign currency effects, partially offset by benefits from the company's "Rapid Continuous Improvement" or "RCI" initiatives.

Snap-on's RCI initiatives employ a structured set of tools and processes across multiple businesses and geographies intended to eliminate waste and improve operations. Savings from Snap-on's RCI initiatives reflect benefits from a wide variety of ongoing efficiency, productivity and process improvements, including savings generated from product design cost reductions, improved manufacturing line set-up and change-over practices, lower-cost sourcing initiatives, and facility consolidations. Unless individually significant, it is not practicable to disclose each RCI activity that generated savings and/or segregate RCI savings embedded in sales volume increases.

Operating expenses of $336.4 million in the second quarter of 2025 compared to $317.0 million last year, which included an $11.2 million benefit for the final payments received in 2024 associated with a legal matter (the "legal payments"). Operating expenses as a percentage of net sales rose 170 bps from last year primarily due to a 100 bps non-recurring benefit from the legal payments in 2024, and increased personnel and other costs.

Operating earnings before financial services of $259.1 million in the second quarter of 2025 compared to $280.3 million in 2024, which included an $11.2 million benefit from the legal payments. As a percentage of net sales, operating earnings before financial services were 22.0% compared to 23.8% last year, which included a 100 bps benefit from the legal payments.

Financial services revenue of $101.7 million in the second quarter of 2025 compared to $100.5 million last year. Financial services operating earnings of $68.2 million compared to $70.2 million in 2024.

SNAP-ON INCORPORATED
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
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Operating earnings of $327.3 million in the second quarter of 2025 compared to $350.5 million in 2024, which included an $11.2 million benefit from the legal payments. As a percentage of revenues (net sales plus financial services revenue), operating earnings were 25.5% in the quarter compared to 27.4% last year, which included a 90 bps benefit from the legal payments.

Interest expense was $12.3 million in the second quarters of both 2025 and 2024. See Note 7 to the Condensed Consolidated Financial Statements for additional information on debt and credit facilities.

Other income (expense) – net primarily includes interest income, non-service components of net periodic benefit costs, and net gains and losses associated with hedging and currency exchange rate transactions. In the second quarter of 2025, other income (expense) – net included $5.8 million of increased year-over-year non-service net periodic benefit costs, primarily reflecting higher amortization of actuarial losses. See Note 15 to the Condensed Consolidated Financial Statements for additional information on Other income (expense) – net.

The effective income tax rate on earnings attributable to Snap-on was 22.5% and 22.6% in the second quarters of 2025 and 2024, respectively. See Note 6 to the Condensed Consolidated Financial Statements for additional information on income taxes.

Net earnings attributable to Snap-on of $250.3 million, or $4.72 per diluted share, in the second quarter of 2025 compared to $271.2 million, or $5.07 per diluted share, in the second quarter of 2024, which included an $8.7 million, or $0.16 per diluted share, after-tax benefit from the legal payments.

Results of operations for the six months ended June 28, 2025, and June 29, 2024, are as follows:

	Six Months Ended					
(Amounts in millions)	June 28, 2025		June 29, 2024		Change	
Net sales	$ 2,320.5	100.0 %	$ 2,361.7	100.0 %	$ (41.2)	(1.7)%
Cost of goods sold	(1,146.5)	(49.4)%	(1,167.7)	(49.4)%	21.2	1.8 %
Gross profit	1,174.0	50.6 %	1,194.0	50.6 %	(20.0)	(1.7)%
Operating expenses	(671.8)	(29.0)%	(642.8)	(27.3)%	(29.0)	(4.5)%
Operating earnings before financial services	502.2	21.6 %	551.2	23.3 %	(49.0)	(8.9)%
Financial services revenue	203.8	100.0 %	200.1	100.0 %	3.7	1.8 %
Financial services expenses	(65.3)	(32.0)%	(61.6)	(30.8)%	(3.7)	(6.0)%
Operating earnings from financial services	138.5	68.0 %	138.5	69.2 %	—	— %
Operating earnings	640.7	25.4 %	689.7	26.9 %	(49.0)	(7.1)%
Interest expense	(24.7)	(1.0)%	(24.8)	(0.9)%	0.1	0.4 %
Other income (expense) – net	28.7	1.1 %	36.8	1.4 %	(8.1)	(22.0)%
Earnings before income taxes	644.7	25.5 %	701.7	27.4 %	(57.0)	(8.1)%
Income tax expense	(141.2)	(5.6)%	(154.5)	(6.0)%	13.3	8.6 %
Net earnings	503.5	19.9 %	547.2	21.4 %	(43.7)	(8.0)%
Net earnings attributable to noncontrolling interests	(12.7)	(0.5)%	(12.5)	(0.5)%	(0.2)	(1.6)%
Net earnings attributable to Snap-on Inc.	$ 490.8	19.4 %	$ 534.7	20.9 %	$ (43.9)	(8.2)%

Percentage Disclosure: All income statement line item percentages below "Operating earnings from financial services" are calculated as a percentage of the sum of Net sales and Financial services revenue.

Net sales of $2,320.5 million in the first six months of 2025 represented a decrease of $41.2 million, or 1.7%, from 2024 levels, reflecting a $35.9 million, or 1.5%, organic decline and $5.3 million of unfavorable foreign currency translation.

Gross profit of $1,174.0 million in the first six months of 2025 compared to $1,194.0 million last year. Gross margin in the first six months was unchanged from 2024 primarily reflecting 20 bps of unfavorable foreign currency offset by benefits from the company's RCI initiatives.

Operating expenses of $671.8 million in the first six months of 2025 compared to $642.8 million last year, which included a $22.5 million benefit from the legal payments. Operating expenses as a percentage of net sales rose 170 bps from last year primarily due to a 90 bps benefit from the legal payments in 2024, the effects of lower sales volumes and increased personnel and other costs, partially offset by savings from RCI initiatives.

Operating earnings before financial services of $502.2 million in the first six months of 2025 compared to $551.2 million in 2024, which included a $22.5 million benefit from the legal payments. As a percentage of net sales, operating earnings before financial services were 21.6% compared to 23.3% last year, which included a 90 bps benefit from the legal payments.

Financial services revenue of $203.8 million in the first six months of 2025 compared to $200.1 million last year. Financial services operating earnings of $138.5 million were unchanged from the first six months of 2024.

Operating earnings of $640.7 million in the first six months of 2025 compared to $689.7 million in 2024, which included a $22.5 million benefit from the legal payments. As a percentage of revenues, operating earnings were 25.4% in the period compared to 26.9% last year, which included a 90 bps benefit from the legal payments.

Interest expense in the first six months of 2025 decreased $0.1 million from last year. See Note 7 to the Condensed Consolidated Financial Statements for additional information on debt and credit facilities.

Other income (expense) – net primarily includes interest income, non-service components of net periodic benefit costs, and net gains and losses associated with hedging and currency exchange rate transactions. In the first six months of 2025, other income (expense) – net included $11.9 million of increased year-over-year non-service net periodic benefit costs, primarily reflecting higher amortization of actuarial losses. See Note 15 to the Condensed Consolidated Financial Statements for additional information on Other income (expense) – net.

The effective income tax rate on earnings attributable to Snap-on was 22.3% and 22.4% in the first six months of 2025 and 2024, respectively. See Note 6 to the Condensed Consolidated Financial Statements for additional information on income taxes.

Net earnings attributable to Snap-on of $490.8 million, or $9.24 per diluted share, in the first six months of 2025 compared to $534.7 million, or $9.98 per diluted share, in the first six months of 2024, which included a $17.5 million, or $0.32 per diluted share, after-tax benefit from the legal payments.

Segment Results

Snap-on's operating segments, which represent Snap-on's reportable segments, are based on the organizational structure used by the Chief Executive Officer, its CODM, to make operating and investment determinations and to assess performance. Snap-on's reportable operating segments are: (i) the Commercial & Industrial Group; (ii) the Snap-on Tools Group; (iii) the Repair Systems & Information Group; and (iv) Financial Services. The Commercial & Industrial Group consists of business operations serving a broad range of industrial and commercial customers worldwide, including customers in the aerospace, natural resources, government and military, power generation, transportation and technical education market segments, primarily through direct and distributor channels. The Snap-on Tools Group consists of business operations primarily serving vehicle service and repair technicians through the company's multinational mobile tool distribution channel. The Repair Systems & Information Group consists of business operations serving other professional vehicle repair customers worldwide, primarily owners and managers of independent repair shops and OEM dealerships, through direct and distributor channels. Financial Services consists of the business operations of Snap-on's finance subsidiaries.

The CODM evaluates the performance of the Commercial & Industrial Group, the Snap-on Tools Group and the Repair Systems & Information Group operating segments based on segment net sales and segment operating earnings. The segment net sales of the Snap-on Tools Group reflect external net sales, while the segment net sales of the Commercial & Industrial Group and the Repair Systems & Information Group include both external and intersegment net sales. Snap-on accounts for intersegment net sales and transfers based primarily on standard costs with reasonable mark-ups established between the segments. The Financial Services operating segment is evaluated based on financial services revenue and segment operating earnings. Corporate expenses primarily reflect stock-based compensation and other costs not attributable to an operating segment. Intersegment amounts are eliminated to arrive at Snap-on's consolidated financial results.

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(continued)

Commercial & Industrial Group

	Three Months Ended					
(Amounts in millions)	June 28, 2025		June 29, 2024		Change	
External net sales	$ 289.2	83.2 %	$ 305.0	82.0 %	$ (15.8)	(5.2)%
Intersegment net sales	58.6	16.8 %	67.0	18.0 %	(8.4)	(12.5)%
Segment net sales	347.8	100.0 %	372.0	100.0 %	(24.2)	(6.5)%
Segment cost of goods sold	(208.6)	(60.0)%	(216.7)	(58.3)%	8.1	3.7 %
Segment gross profit	139.2	40.0 %	155.3	41.7 %	(16.1)	(10.4)%
Segment operating expenses	(92.3)	(26.5)%	(93.1)	(25.0)%	0.8	0.9 %
Segment operating earnings	$ 46.9	13.5 %	$ 62.2	16.7 %	$ (15.3)	(24.6)%

Segment net sales of $347.8 million in the second quarter of 2025 represented a decrease of $24.2 million, or 6.5%, from 2024 levels, reflecting a $28.7 million, or 7.6%, organic sales decline, partially offset by $4.5 million of favorable foreign currency translation. The organic reduction includes double-digit decreases in the segment's Asia Pacific and European-based hand tools businesses, and a mid single-digit decline in activity with customers in critical industries, partially offset by a high single-digit rise in the specialty torque operation.

Segment gross margin in the second quarter decreased 170 bps from last year primarily due to lower sales volumes and 50 bps of unfavorable foreign currency effects, partially offset by savings from the segment's RCI initiatives.

Segment operating expenses as a percentage of net sales in the second quarter rose 150 bps as compared to 2024 primarily reflecting the impact of lower sales volumes, as well as increased personnel and other costs.

As a result of these factors, segment operating earnings of $46.9 million in the second quarter of 2025 compared to $62.2 million in 2024. Operating margin (segment operating earnings as a percentage of segment net sales) for the Commercial & Industrial Group of 13.5% in the second quarter of 2025 compared to 16.7% in 2024.

	Six Months Ended					
(Amounts in millions)	June 28, 2025		June 29, 2024		Change	
External net sales	$ 565.9	81.8 %	$ 596.0	81.4 %	$ (30.1)	(5.1)%
Intersegment net sales	125.8	18.2 %	135.9	18.6 %	(10.1)	(7.4)%
Segment net sales	691.7	100.0 %	731.9	100.0 %	(40.2)	(5.5)%
Cost of goods sold	(406.0)	(58.7)%	(429.9)	(58.7)%	23.9	5.6 %
Gross profit	285.7	41.3 %	302.0	41.3 %	(16.3)	(5.4)%
Operating expenses	(185.6)	(26.8)%	(184.4)	(25.2)%	(1.2)	(0.7)%
Segment operating earnings	$ 100.1	14.5 %	$ 117.6	16.1 %	$ (17.5)	(14.9)%

Segment net sales of $691.7 million in the first six months of 2025 represented a decrease of $40.2 million, or 5.5%, from 2024 levels, reflecting a $39.1 million, or 5.4%, organic sales decline and $1.1 million of unfavorable foreign currency translation. The organic decline includes mid single-digit decreases in activity with customers in critical industries and in the European-based hand tools business, and a high single-digit reduction in the segment's Asia Pacific operations, partially offset by a mid single-digit increase in specialty torque.

Segment gross margin in the first six months was unchanged from last year primarily reflecting the reduced sales volumes and 30 bps of unfavorable currency effects, offset by lower material and other costs, and savings from the segment's RCI initiatives.

Segment operating expenses as a percentage of net sales in the first six months rose 160 bps as compared to 2024 primarily due to the impact of lower sales volumes, and increased personnel and other costs.

As a result of these factors, segment operating earnings of $100.1 million in the first six months of 2025 compared to $117.6 million in 2024. Operating margin for the Commercial & Industrial Group of 14.5% in the first six months of 2025 compared to 16.1% in 2024.

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MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
(continued)

Snap-on Tools Group

(Amounts in millions)	Three Months Ended June 28, 2025		Three Months Ended June 29, 2024		Change	
Segment net sales	$ 491.0	100.0 %	$ 482.0	100.0 %	$ 9.0	1.9 %
Segment cost of goods sold	(253.8)	(51.7)%	(246.8)	(51.2)%	(7.0)	(2.8)%
Segment gross profit	237.2	48.3 %	235.2	48.8 %	2.0	0.9 %
Segment operating expenses	(120.5)	(24.5)%	(120.4)	(25.0)%	(0.1)	(0.1)%
Segment operating earnings	$ 116.7	23.8 %	$ 114.8	23.8 %	$ 1.9	1.7 %

Segment net sales of $491.0 million in the second quarter of 2025 represented an increase of $9.0 million, or 1.9%, from 2024 levels, reflecting a $7.8 million, or 1.6%, organic sales gain and $1.2 million of favorable foreign currency translation. The organic improvement is due to a low single-digit rise in the U.S., while activity in the segment's international operations was essentially flat.

Segment gross margin in the second quarter decreased 50 bps from last year primarily due to 40 bps of unfavorable foreign currency effects.

Segment operating expenses as a percentage of net sales in the second quarter improved 50 bps as compared to 2024 primarily reflecting the higher sales volumes.

As a result of these factors, segment operating earnings of $116.7 million in the second quarter of 2025 compared to $114.8 million in 2024. Operating margin for the Snap-on Tools Group of 23.8% in the second quarter of 2025 was unchanged from last year.

(Amounts in millions)	Six Months Ended June 28, 2025		Six Months Ended June 29, 2024		Change	
Segment net sales	$ 953.9	100.0 %	$ 982.1	100.0 %	$ (28.2)	(2.9)%
Cost of goods sold	(502.2)	(52.6)%	(505.8)	(51.5)%	3.6	0.7 %
Gross profit	451.7	47.4 %	476.3	48.5 %	(24.6)	(5.2)%
Operating expenses	(242.6)	(25.5)%	(244.2)	(24.9)%	1.6	0.7 %
Segment operating earnings	$ 209.1	21.9 %	$ 232.1	23.6 %	$ (23.0)	(9.9)%

Segment net sales of $953.9 million in the first six months of 2025 represented a decrease of $28.2 million, or 2.9%, from 2024 levels, reflecting a $25.8 million, or 2.6%, organic sales decline and $2.4 million of unfavorable foreign currency translation. The organic reduction is due to a low single-digit decrease in the U.S., partially offset by a low single-digit gain in the segment's international operations.

Segment gross margin in the first six months decreased 110 bps from last year primarily due to a year-over-year shift in product mix, as well as a result of the reduced volumes.

Segment operating expenses as a percentage of net sales in the first six months rose 60 bps as compared to 2024 primarily reflecting the lower sales volumes.

As a result of these factors, segment operating earnings of $209.1 million in the first six months of 2025 compared to $232.1 million in 2024. Operating margin for the Snap-on Tools Group of 21.9% in the first six months of 2025 compared to 23.6% last year.

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MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
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Repair Systems & Information Group

	Three Months Ended					
(Amounts in millions)	June 28, 2025		June 29, 2024		Change	
External net sales	$ 399.2	85.2 %	$ 392.4	86.3 %	$ 6.8	1.7 %
Intersegment net sales	69.4	14.8 %	62.4	13.7 %	7.0	11.2 %
Segment net sales	468.6	100.0 %	454.8	100.0 %	13.8	3.0 %
Segment cost of goods sold	(249.5)	(53.2)%	(248.0)	(54.5)%	(1.5)	(0.6)%
Segment gross profit	219.1	46.8 %	206.8	45.5 %	12.3	5.9 %
Segment operating expenses	(99.3)	(21.2)%	(93.2)	(20.5)%	(6.1)	(6.5)%
Segment operating earnings	$ 119.8	25.6 %	$ 113.6	25.0 %	$ 6.2	5.5 %

Segment net sales of $468.6 million in the second quarter of 2025 represented an increase of $13.8 million, or 3.0%, from 2024 levels, reflecting a $10.7 million, or 2.3%, organic sales gain and $3.1 million of favorable foreign currency translation. The organic improvement includes a double-digit increase in activity with OEM dealerships and a high single-digit gain in sales of diagnostic and repair information products to independent repair shop owners and managers, partially offset by a high single-digit decline in sales of undercar equipment.

Segment gross margin in the second quarter improved 130 bps from last year primarily reflecting increased sales of higher-gross-margin products and benefits from the segment's RCI initiatives, partially offset by higher material and other costs, and 40 bps of unfavorable foreign currency effects.

Segment operating expenses as a percentage of net sales in the second quarter rose 70 bps from 2024 primarily due to increased personnel and other costs.

As a result of these factors, segment operating earnings of $119.8 million in the second quarter of 2025 compared to $113.6 million in 2024. Operating margin for the Repair Systems & Information Group of 25.6% in the second quarter of 2025 compared to 25.0% last year.

	Six Months Ended					
(Amounts in millions)	June 28, 2025		June 29, 2024		Change	
External net sales	$ 800.7	84.8 %	$ 783.6	85.3 %	$ 17.1	2.2 %
Intersegment net sales	143.8	15.2 %	135.0	14.7 %	8.8	6.5 %
Segment net sales	944.5	100.0 %	918.6	100.0 %	25.9	2.8 %
Cost of goods sold	(507.9)	(53.8)%	(502.9)	(54.7)%	(5.0)	(1.0)%
Gross profit	436.6	46.2 %	415.7	45.3 %	20.9	5.0 %
Operating expenses	(194.7)	(20.6)%	(189.2)	(20.6)%	(5.5)	(2.9)%
Segment operating earnings	$ 241.9	25.6 %	$ 226.5	24.7 %	$ 15.4	6.8 %

Segment net sales of $944.5 million in the first six months of 2025 represented an increase of $25.9 million, or 2.8%, from 2024 levels, reflecting a $27.7 million, or 3.0%, organic sales gain, partially offset by $1.8 million of unfavorable foreign currency translation. The organic improvement includes a double-digit increase in activity with OEM dealerships and a mid single-digit gain in sales of diagnostic and repair information products to independent repair shop owners and managers, partially offset by a mid single-digit decline in sales of undercar equipment.

Segment gross margin in the first six months improved 90 bps from last year primarily due to increased sales of higher-gross-margin products and benefits from the segment's RCI initiatives, partially offset by higher material and other costs, and 20 bps of unfavorable foreign currency effects.

Segment operating expenses as a percentage of net sales in the first six months was unchanged from 2024 primarily reflecting the effects of higher sales volumes and savings from RCI initiatives, offset by increased personnel and other costs.

As a result of these factors, segment operating earnings of $241.9 million in the first six months of 2025 compared to $226.5 million in 2024. Operating margin for the Repair Systems & Information Group of 25.6% in the first six months of 2025 compared to 24.7% last year.

Financial Services

	Three Months Ended					
(Amounts in millions)	June 28, 2025		June 29, 2024		Change	
Financial services revenue	$ 101.7	100.0 %	$ 100.5	100.0 %	$ 1.2	1.2 %
Financial services expenses	(33.5)	(32.9)%	(30.3)	(30.1)%	(3.2)	(10.6)%
Segment operating earnings	$ 68.2	67.1 %	$ 70.2	69.9 %	$ (2.0)	(2.8)%

Financial services revenue is generally dependent on the size of the average financial services portfolio during the period, as well as on the average yield on receivables. Financial services revenue of $101.7 million in the second quarter of 2025 represented an increase of $1.2 million, or 1.2%, from last year. In the second quarters of 2025 and 2024, the respective average yields on finance receivables were 17.5% and 17.7%. In the second quarters of 2025 and 2024, the average yields on contract receivables were 9.1% and 8.9%, respectively. Originations of $293.0 million in the second quarter of 2025 represented a decrease of $15.1 million, or 4.9%, from 2024 levels.

Financial services expenses primarily include personnel-related and other general and administrative costs, as well as provisions for credit losses. These expenses are generally more dependent on changes in the size of the financial services portfolio than they are on the revenue of the segment. Financial services expenses in the second quarter of 2025 increased $3.2 million from last year primarily due to $1.5 million of higher provisions for credit losses, as well as increased personnel and other costs. As a percentage of the average financial services portfolio, expenses were 1.3% and 1.2% in the respective second quarters of 2025 and 2024.

As a result of these factors, segment operating earnings of $68.2 million in the second quarter of 2025 compared to $70.2 million in 2024.

	Six Months Ended					
(Amounts in millions)	June 28, 2025		June 29, 2024		Change	
Financial services revenue	$ 203.8	100.0 %	$ 200.1	100.0 %	$ 3.7	1.8 %
Financial services expenses	(65.3)	(32.0)%	(61.6)	(30.8)%	(3.7)	(6.0)%
Segment operating earnings	$ 138.5	68.0 %	$ 138.5	69.2 %	$ —	— %

Financial services revenue of $203.8 million in the first six months of 2025 represented an increase of $3.7 million, or 1.8%, from last year. In the first six months of 2025 and 2024, the respective average yields on finance receivables were 17.6% and 17.7%. In the first six months of 2025 and 2024, the average yields on contract receivables were 9.1% and 9.0%, respectively. Originations of $561.7 million in the first six months of 2025 represented a decrease of $48.1 million, or 7.9%, from 2024 levels.

Financial services expenses in the first six months of 2025 increased $3.7 million from last year primarily due to $1.8 million of higher provisions for credit losses, as well as increased personnel and other costs. As a percentage of the average financial services portfolio, expenses were 2.6% and 2.5% in the respective first six months of 2025 and 2024.

As a result of these factors, segment operating earnings of $138.5 million in the first six months of 2025 were unchanged from 2024.

Corporate

Snap-on's second quarter 2025 general corporate expenses of $24.3 million compared to $10.3 million last year. For the first six months of 2025, general corporate expenses of $48.9 million compared to $25.0 million recorded in 2024. The year-over-year increase in 2025 for both periods primarily reflects benefits from the legal payments received in the first six months of 2024.

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Non-GAAP Supplemental Data

The following non-GAAP supplemental data is presented for informational purposes to provide readers with insight into the information used by management for assessing the operating performance of Snap-on's non-financial services ("Operations") and Financial Services businesses.

The supplemental Operations data reflects the results of operations and financial position of Snap-on's tools, diagnostics, equipment products, software, and other non-financial services operations with Financial Services presented on the equity method. The supplemental Financial Services data reflects the results of operations and financial position of Snap-on's U.S. and international financial services operations. The financing needs of Financial Services are met through intersegment borrowings and cash generated from Operations; Financial Services is charged interest expense on intersegment borrowings at market rates. Income taxes are charged to Financial Services on the basis of the specific tax attributes generated by the U.S. and international financial services businesses. Transactions between the Operations and Financial Services businesses are eliminated to arrive at the Condensed Consolidated Financial Statements.

Non-GAAP Supplemental Consolidating Data – Supplemental Condensed Statements of Earnings information for the three months ended June 28, 2025, and June 29, 2024, is as follows:

	Operations*		Financial Services	
(Amounts in millions)	June 28, 2025	June 29, 2024	June 28, 2025	June 29, 2024
Net sales	$ 1,179.4	$ 1,179.4	$ —	$ —
Cost of goods sold	(583.9)	(582.1)	—	—
Gross profit	595.5	597.3	—	—
Operating expenses	(336.4)	(317.0)	—	—
Operating earnings before financial services	259.1	280.3	—	—
Financial services revenue	—	—	101.7	100.5
Financial services expenses	—	—	(33.5)	(30.3)
Operating earnings from financial services	—	—	68.2	70.2
Operating earnings	259.1	280.3	68.2	70.2
Interest expense	(12.3)	(12.3)	—	—
Intersegment interest income (expense) – net	17.4	17.1	(17.4)	(17.1)
Other income (expense) – net	14.2	18.7	0.1	—
Earnings before income taxes and equity earnings	278.4	303.8	50.9	53.1
Income tax expense	(59.7)	(65.0)	(12.8)	(14.3)
Earnings before equity earnings	218.7	238.8	38.1	38.8
Financial services – net earnings attributable to Snap-on	38.1	38.8	—	—
Net earnings	256.8	277.6	38.1	38.8
Net earnings attributable to noncontrolling interests	(6.5)	(6.4)	—	—
Net earnings attributable to Snap-on	$ 250.3	$ 271.2	$ 38.1	$ 38.8

* Snap-on with Financial Services presented on the equity method.

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Non-GAAP Supplemental Consolidating Data – Supplemental Condensed Statements of Earnings information for the six months ended June 28, 2025, and June 29, 2024, is as follows:

	Operations*		Financial Services	
(Amounts in millions)	June 28, 2025	June 29, 2024	June 28, 2025	June 29, 2024
Net sales	$ 2,320.5	$ 2,361.7	$ —	$ —
Cost of goods sold	(1,146.5)	(1,167.7)	—	—
Gross profit	1,174.0	1,194.0	—	—
Operating expenses	(671.8)	(642.8)	—	—
Operating earnings before financial services	502.2	551.2	—	—
Financial services revenue	—	—	203.8	200.1
Financial services expenses	—	—	(65.3)	(61.6)
Operating earnings from financial services	—	—	138.5	138.5
Operating earnings	502.2	551.2	138.5	138.5
Interest expense	(24.7)	(24.8)	—	—
Intersegment interest income (expense) – net	34.4	33.8	(34.4)	(33.8)
Other income (expense) – net	28.6	36.7	0.1	0.1
Earnings before income taxes and equity earnings	540.5	596.9	104.2	104.8
Income tax expense	(115.1)	(127.3)	(26.1)	(27.2)
Earnings before equity earnings	425.4	469.6	78.1	77.6
Financial services – net earnings attributable to Snap-on	78.1	77.6	—	—
Net earnings	503.5	547.2	78.1	77.6
Net earnings attributable to noncontrolling interests	(12.7)	(12.5)	—	—
Net earnings attributable to Snap-on	$ 490.8	$ 534.7	$ 78.1	$ 77.6

SNAP-ON INCORPORATED
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
(continued)

Non-GAAP Supplemental Consolidating Data – Supplemental Condensed Balance Sheets information as of June 28, 2025, and December 28, 2024, is as follows:

	Operations*		Financial Services	
(Amounts in millions)	June 28, 2025	December 28, 2024	June 28, 2025	December 28, 2024
ASSETS				
Current assets:				
Cash and cash equivalents	$ 1,458.2	$ 1,360.4	$ 0.1	$ 0.1
Intersegment receivables	17.6	15.1	—	—
Trade and other accounts receivable – net	841.4	815.0	1.0	0.6
Finance receivables – net	—	—	629.2	610.3
Contract receivables – net	4.9	4.8	109.3	115.2
Inventories – net	997.7	943.4	—	—
Prepaid expenses and other current assets	180.7	143.8	11.3	9.4
Total current assets	3,500.5	3,282.5	750.9	735.6
Property and equipment – net	555.4	540.2	2.4	2.4
Operating lease right-of-use assets	84.6	83.8	5.5	5.6
Investment in Financial Services	404.9	403.5	—	—
Deferred income tax assets	51.0	51.8	27.5	26.2
Intersegment long-term notes receivable	838.5	831.8	—	—
Long-term finance receivables – net	—	—	1,305.3	1,312.0
Long-term contract receivables – net	8.1	8.4	416.2	409.9
Goodwill	1,102.6	1,056.8	—	—
Other intangible assets – net	275.1	267.6	—	—
Pension assets	130.5	125.4	—	—
Other long-term assets	37.0	35.6	0.2	0.2
Total assets	$ 6,988.2	$ 6,687.4	$ 2,508.0	$ 2,491.9

* Snap-on with Financial Services presented on the equity method.

SNAP-ON INCORPORATED
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
(continued)

Non-GAAP Supplemental Consolidating Data – Supplemental Condensed Balance Sheets Information (continued):

(Amounts in millions)	Operations*		Financial Services	
	June 28, 2025	December 28, 2024	June 28, 2025	December 28, 2024
LIABILITIES AND EQUITY				
Current liabilities:				
Notes payable	$ 17.7	$ 13.7	$ —	$ —
Accounts payable	267.4	265.4	2.4	0.5
Intersegment payables	—	—	17.6	15.1
Accrued benefits	54.7	67.2	—	—
Accrued compensation	71.0	83.5	1.9	2.6
Franchisee deposits	72.1	70.9	—	—
Other accrued liabilities	438.1	443.6	30.4	27.7
Total current liabilities	921.0	944.3	52.3	45.9
Long-term debt and intersegment long-term debt	—	—	2,024.5	2,017.3
Deferred income tax liabilities	78.6	73.5	—	—
Retiree health care benefits	18.4	19.4	—	—
Pension liabilities	77.1	78.4	—	—
Operating lease liabilities	61.7	63.0	5.7	5.6
Other long-term liabilities	91.9	91.8	20.6	19.6
Total liabilities	1,248.7	1,270.4	2,103.1	2,088.4
Total shareholders' equity attributable to Snap-on	5,715.5	5,394.1	404.9	403.5
Noncontrolling interests	24.0	22.9	—	—
Total equity	5,739.5	5,417.0	404.9	403.5
Total liabilities and equity	$ 6,988.2	$ 6,687.4	$ 2,508.0	$ 2,491.9

* Snap-on with Financial Services presented on the equity method.

Liquidity and Capital Resources

Snap-on's growth has historically been funded by a combination of cash provided by operating activities and debt financing. Snap-on believes that its cash from operations and collections of finance receivables, coupled with its sources of borrowings and available cash on hand, are sufficient to fund its currently anticipated requirements for scheduled debt repayments, payments of interest and dividends, new receivables originated by our financial services businesses, capital expenditures, working capital, funding of pension plans, and share repurchases and acquisitions, if and as they arise.

Due to Snap-on's credit rating over the years, external funds have been available at an acceptable cost. As of July 11, 2025, Snap-on's long-term debt and commercial paper were rated, respectively, A2 and P-1 by Moody's Investors Service; A- and A-2 by Standard & Poor's; and A and F1 by Fitch Ratings. Snap-on believes that its current credit arrangements are sound and that the strength of its balance sheet affords the company the financial flexibility, including through access to financial markets for potential new financing, to respond to both internal growth opportunities and those available through acquisitions. However, Snap-on cannot provide any assurance that financing will be available in the future on acceptable terms, or that its debt ratings will not decrease.

The following discussion focuses on information included in the accompanying Condensed Consolidated Balance Sheets.

Working capital (current assets less current liabilities) of $3,278.1 million as of June 28, 2025, represented an increase of $250.2 million from $3,027.9 million as of December 28, 2024 (fiscal 2024 year end), primarily as a result of the net changes discussed below.

The following represents the company's working capital position as of June 28, 2025, and December 28, 2024:

(Amounts in millions)	June 28, 2025	December 28, 2024
Cash and cash equivalents	$ 1,458.3	$ 1,360.5
Trade and other accounts receivable – net	842.4	815.6
Finance receivables – net	629.2	610.3
Contract receivables – net	114.2	120.0
Inventories – net	997.7	943.4
Prepaid expenses and other current assets	177.8	139.6
Total current assets	4,219.6	3,989.4
Notes payable	(17.7)	(13.7)
Accounts payable	(269.8)	(265.9)
Other current liabilities	(654.0)	(681.9)
Total current liabilities	(941.5)	(961.5)
Working capital	$ 3,278.1	$ 3,027.9

Cash and cash equivalents of $1,458.3 million as of June 28, 2025, represented an increase of $97.8 million from 2024 year-end levels primarily due to: (i) $535.7 million of cash generated from operations; (ii) $427.8 million of cash from collections of finance receivables; and (iii) $45.2 million of cash proceeds from stock purchase plans and stock option exercises. These increases in cash and cash equivalents were partially offset by: (i) the funding of $462.4 million of new finance receivables; (ii) dividend payments to shareholders of $224.0 million; (iii) the repurchase of 510,000 shares of the company's common stock for $166.2 million; and (iv) the funding of $42.6 million of capital expenditures.

Of the $1,458.3 million of cash and cash equivalents as of June 28, 2025, $561.0 million was held outside of the United States. Snap-on maintains non-U.S. funds in its foreign operations to: (i) provide adequate working capital; (ii) satisfy various regulatory requirements; and/or (iii) take advantage of business expansion opportunities as they arise. Although the Tax Cuts and Jobs Act generally eliminated U.S. federal taxation of dividends from foreign subsidiaries, such dividends may still be subject to state income taxation and foreign withholding taxes. Snap-on periodically evaluates its cash held outside the United States and may pursue opportunities to repatriate certain foreign cash amounts to the extent that it can be accomplished in a tax efficient manner.

Trade and other accounts receivable – net of $842.4 million as of June 28, 2025, represented an increase of $26.8 million from 2024 year-end levels primarily due to $24.4 million of foreign currency translation. Days sales outstanding (trade and other accounts receivable – net as of the respective period end, divided by the respective trailing 12 months of sales, times 360 days) was 65 days for June 28, 2025, and 62 days for December 28, 2024.

The current portions of net finance and contract receivables of $743.4 million as of June 28, 2025, compared to $730.3 million at 2024 year end. The long-term portions of net finance and contract receivables of $1,729.6 million as of June 28, 2025, compared to $1,730.3 million at 2024 year end.

Inventories – net of $997.7 million as of June 28, 2025, represented an increase of $54.3 million from December 28, 2024, primarily due to $37.4 million of foreign currency translation. Inventory turns (trailing 12 months of cost of goods sold, divided by the average of the beginning and ending inventory balances for the trailing 12 months) were 2.4 turns as of both June 28, 2025, and December 28, 2024. Inventories accounted for using the first-in, first-out ("FIFO") method approximated 62% of total inventories as of June 28, 2025, and 57% of total inventories as of December 28, 2024. All other inventories are accounted for using the last-in, first-out ("LIFO") method. The company's LIFO reserve was $125.2 million and $122.4 million as of June 28, 2025, and December 28, 2024, respectively.

Notes payable of $17.7 million as of June 28, 2025, compared to $13.7 million as of 2024 year end.

Accounts payable of $269.8 million as of June 28, 2025, represented an increase of $3.9 million from December 28, 2024, primarily due to $6.9 million of foreign currency translation, partially offset by the timing of payments.

Other accrued liabilities of $454.3 million as of June 28, 2025, represented a decrease of $3.4 million from 2024 year-end levels primarily due to a decrease in accrued income taxes, partially offset by $12.1 million of foreign currency translation.

Long-term debt of $1,186.0 million as of June 28, 2025, consisted of: (i) $300 million of unsecured 3.25% notes that mature on March 1, 2027 (the "2027 Notes"); (ii) $400 million of unsecured 4.10% notes that mature on March 1, 2048 (the "2048 Notes"); and (iii) $500 million of 3.10% notes that mature on May 1, 2050 ("the 2050 Notes"), partially offset by $14.0 million of unamortized debt issuance costs and issuance discounts.

Snap-on has a $900 million multicurrency revolving credit facility that terminates on September 12, 2028 (the "Credit Facility"). The Credit Facility contains an accordion feature that, subject to certain customary conditions, may allow the maximum commitment to be increased by up to $450 million with the approval of the lenders providing additional commitments. No amounts were borrowed or outstanding under the Credit Facility during the six months ended and as of June 28, 2025.

Borrowings under the Credit Facility bear interest at varying rates based on either: (i) Snap-on's then-current, long-term debt ratings; or (ii) Snap-on's then-current ratio of consolidated debt net of certain cash adjustments ("Consolidated Net Debt") to earnings before interest, taxes, depreciation, amortization and certain other adjustments for the preceding four fiscal quarters then ended (the "Consolidated Net Debt to EBITDA Ratio"). The Credit Facility's financial covenant requires that Snap-on maintain, as of each fiscal quarter end, either (i) a ratio not greater than 0.60 to 1.00 of Consolidated Net Debt to the sum of Consolidated Net Debt plus total equity and less accumulated other comprehensive income or loss (the "Leverage Ratio"); or (ii) a Consolidated Net Debt to EBITDA Ratio not greater than 3.50 to 1.00. Snap-on may, up to two times during any five-year period during the term of the Credit Facility (including any extensions thereof), elect to increase the maximum Leverage Ratio to 0.65 to 1.00 and/or increase the maximum Consolidated Net Debt to EBITDA Ratio to 4.00 to 1.00 for four consecutive fiscal quarters in connection with certain material acquisitions (as defined in the related credit agreement). As of June 28, 2025, the company's consolidated cash balance, net of certain adjustments, exceeded consolidated debt resulting in actual ratios of (0.03) and (0.11), respectively. Both ratios are within the permitted ranges set forth in this financial covenant.

Snap-on generally issues commercial paper to fund its financing needs on a short-term basis and uses the Credit Facility as back-up liquidity to support such commercial paper issuances. As of June 28, 2025, there were no commercial paper issuances outstanding.

Snap-on believes it has sufficient available cash and access to both committed and uncommitted credit facilities to cover its expected funding needs on both a short-term and long-term basis. Snap-on manages its aggregate short-term borrowings so as not to exceed its availability under the Credit Facility. Snap-on believes that it can access short-term debt markets, predominantly through commercial paper issuances and existing lines of credit, to fund its short-term requirements and to ensure near-term liquidity. Snap-on regularly monitors the credit and financial markets and, if it believes conditions are favorable, it may take advantage of such conditions to issue long-term debt to further improve its liquidity and capital resources. Near-term liquidity requirements for Snap-on include payments of interest and dividends, funding to support new receivables originated by our financial services businesses, capital expenditures, working capital, the funding of pension plans, and funding for share repurchases and acquisitions, if and as they arise. Snap-on intends to make contributions of $4.3 million to its foreign pension plans and $6.5 million to its domestic pension plans in 2025, as required by law. Depending on market and other conditions, Snap-on may make discretionary cash contributions to its pension plans in 2025.

Snap-on's long-term financing strategy is to maintain continuous access to the debt markets to accommodate its liquidity needs, including the potential use of commercial paper, additional fixed-term debt and/or securitizations.

The following discussion focuses on information included in the accompanying Condensed Consolidated Statements of Cash Flows.

Operating Activities

Net cash provided by operating activities was $535.7 million and $649.8 million in the respective first six months of 2025 and 2024. The $114.1 million year-over-year decrease in net cash provided by operating activities primarily reflects a $70.7 million change in net operating assets and liabilities and a $43.7 million decrease in net earnings.

Investing Activities

Net cash used by investing activities of $78.0 million in the first six months of 2025 included additions to finance receivables of $462.4 million, partially offset by collections of $427.8 million. Net cash used by investing activities of $123.4 million in the first six months of 2024 included additions to finance receivables of $504.2 million, partially offset by collections of $422.8 million. Finance receivables are comprised of extended-term installment payment contracts to both technicians and independent shop owners (i.e., franchisees' customers) to enable them to purchase tools, diagnostics, and equipment products on an extended-term payment plan, with average payment terms of approximately four years.

Capital expenditures were $42.6 million and $45.0 million in the respective first six months of 2025 and 2024. Capital expenditures in both years included continued investments related to the company's execution of its strategic Value Creation Processes around safety, quality, customer connection, innovation and RCI.

Financing Activities

Net cash used by financing activities was $364.5 million in the first six months of 2025 and $292.1 million in the first six months of 2024. Proceeds from stock purchase plans and stock option exercises totaled $45.2 million and $51.7 million in the respective first six months of 2025 and 2024. In the first six months of 2025, Snap-on repurchased 510,000 shares of its common stock for $166.2 million under its previously announced share repurchase programs. In the first six months of 2024, Snap-on repurchased 422,000 shares of its common stock for $117.6 million under its previously announced share repurchase programs. As of June 28, 2025, Snap-on had remaining availability to repurchase up to an additional $357.9 million in common stock pursuant to its Board's authorizations. The repurchase of Snap-on common stock to offset dilution related to equity plan issuances or for other corporate purposes is at the company's discretion, subject to prevailing financial and market conditions. Snap-on believes that its cash generated from operations, available cash on hand, and funds available from its credit facilities, will be sufficient to fund the company's additional share repurchases, if any.

Snap-on has paid consecutive quarterly cash dividends, without interruption or reduction, since 1939. Cash dividends totaled $224.0 million and $196.2 million in the respective first six months of 2025 and 2024. On November 8, 2024, the Board increased the quarterly cash dividend by 15.1% to $2.14 per share ($8.56 per share annualized). Snap-on believes that its cash generated from operations, available cash on hand, and funds available from its credit facilities, will be sufficient to pay dividends.

SNAP-ON INCORPORATED
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
(continued)

Critical Accounting Policies and Estimates

Snap-on's critical accounting policies and estimates, which are discussed in its Annual Report on Form 10-K for the fiscal year ended December 28, 2024, have not materially changed since the report was filed.

Outlook

We believe that our markets and our operations possess and have demonstrated continuing and considerable resilience against the uncertainties of the current environment. In 2025, Snap-on expects to make ongoing progress along its decisive runways for coherent growth, leveraging capabilities already proven in the automotive repair arena, developing and expanding its professional customer base, not only in automotive repair, but in adjacent markets, additional geographies and other areas, including extending in critical industries, where the cost and penalties for failure can be high. In pursuit of these initiatives, we project that capital expenditures in 2025 will approximate $100 million, of which $42.6 million was incurred in the first six months of the year.

Snap-on currently anticipates that its full-year 2025 effective income tax rate will be in the range of 22% to 23%.

Item 3: Quantitative and Qualitative Disclosures About Market Risk

There has been no significant change in the company's exposure to market risk during the second quarter of 2025. Refer to Part II, Item 7A: Quantitative and Qualitative Disclosures About Market Risk in the company's Annual Report on Form 10-K for the year ended December 28, 2024, for further discussion.

Interest Rate Risk Management

Snap-on may manage the exposure created by the differing maturities and interest rate structures of Snap-on's borrowings through the use of interest rate swap agreements. Treasury lock agreements may be used to manage the potential change in interest rates in anticipation of the issuance of fixed rate debt. See Note 8 to the Condensed Consolidated Financial Statements for additional information on interest rate risk management.

Snap-on utilizes a Value-at-Risk ("VAR") model to determine the potential one-day loss in the fair value of its interest rate and foreign exchange-sensitive financial instruments from adverse changes in market factors. The VAR model estimates were made assuming normal market conditions and a 95% confidence level. Snap-on's computations are based on the inter-relationships among movements in various currencies and interest rates (variance/co-variance technique). These inter-relationships were determined by observing interest rate and foreign currency market changes over the preceding quarter.

The estimated maximum potential net one-day loss in fair value, calculated using the VAR model, as of June 28, 2025, was $9.2 million, consisting of a $9.1 million loss on interest rate-sensitive financial instruments and a $0.1 million loss on foreign currency-sensitive financial instruments. The VAR model is a risk management tool and does not purport to represent actual losses in fair value that will be incurred by Snap-on, nor does it consider the potential effect of favorable changes in market factors.

Item 4: Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Snap-on maintains a system of disclosure controls and procedures that is designed to provide reasonable assurance that material information relating to the company and its consolidated subsidiaries is timely communicated to the officers who certify Snap-on's financial reports and to other members of senior management and the Board, as appropriate.

In accordance with Rule 13a-15(b) of the Securities Exchange Act of 1934 (the "Exchange Act"), the company's management evaluated, with the participation of the Chief Executive Officer and Chief Financial Officer, the effectiveness of the design and operation of the company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of June 28, 2025. Based upon their evaluation of these disclosure controls and procedures, the Chief Executive Officer and Chief Financial Officer concluded that the disclosure controls and procedures were effective as of June 28, 2025, to ensure that information required to be disclosed by the company in the reports it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time period specified in the Securities and Exchange Commission rules and forms, and to ensure that information required to be disclosed by the company in the reports it files or submits under the Exchange Act is accumulated and communicated to the company's management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate, to allow timely decisions regarding required disclosure.

Changes in Internal Control

There has been no change in the company's internal control over financial reporting during the quarter ended June 28, 2025, that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting (as such term is defined in Exchange Act Rules 13a-15(f) and 15d-15(f)).

PART II. OTHER INFORMATION

Item 2: Unregistered Sales of Equity Securities and Use of Proceeds

Issuer Purchases of Equity Securities

The following chart discloses information regarding the shares of Snap-on's common stock repurchased by the company during the second quarter of fiscal 2025, all of which were purchased pursuant to the Board's authorizations that the company has publicly announced. Snap-on has undertaken stock repurchases from time to time to offset dilution related to equity plan issuances and for other corporate purposes, as well as when the company believes market conditions are favorable. The repurchase of Snap-on common stock is at the company's discretion, subject to prevailing financial and market conditions, and pursuant to the Board's authorizations that the company has publicly announced.

Period	Shares purchased	Average price per share	Shares purchased as part of publicly announced plans or programs	Approximate value of shares that may yet be purchased under publicly announced plans or programs* *(in millions)*
3/30/2025 to 4/26/2025	40,000	$ 306.41	40,000	$ 386.7
4/27/2025 to 5/24/2025	105,000	319.21	105,000	380.1
5/25/2025 to 6/28/2025	105,000	315.92	105,000	357.9
Total/Average	250,000	315.78	250,000	N/A

N/A: Not applicable

* Subject to further adjustment pursuant to the 1996 Authorization described below, as of June 28, 2025, the approximate value of shares that may yet be purchased pursuant to the outstanding Board authorizations discussed below is $357.9 million.

- In 1996, the Board authorized the company to repurchase shares of the company's common stock periodically in the open market or in privately negotiated transactions (the "1996 Authorization"). The 1996 Authorization allows the repurchase of up to the number of shares issued or delivered from treasury under the various plans the company has in place that call for the issuance of the company's common stock. Because the number of shares that are purchased pursuant to the 1996 Authorization will change as (i) the company issues shares under its various plans; and (ii) shares are repurchased pursuant to this authorization, the number of shares authorized to be repurchased will vary from time to time. The 1996 Authorization will expire when terminated by the Board.

- On August 8, 2024, the Board authorized the repurchase of up to $500 million of the company's common stock (the "2024 Authorization"). The 2024 Authorization will expire when the aggregate repurchase price limit is met, unless terminated earlier by the Board.

Other Purchases or Sales of Equity Securities

The following chart discloses information regarding transactions by a counterparty in shares of Snap-on's common stock during the second quarter of 2025 pursuant to a prepaid equity forward agreement (the "Agreement") that is intended to reduce the impact of market risk associated with the stock-based portion of the company's deferred compensation plans. The company's stock-based deferred compensation liabilities increase as the company's stock price rises and decrease as the company's stock price declines. Pursuant to the Agreement, the counterparty may purchase or sell shares of the company's common stock for its account in the market or in privately negotiated transactions. At termination, the Agreement settles in cash and does not provide for Snap-on to purchase or repurchase its shares.

Period	Shares purchased	Average price per share
3/30/2025 to 4/26/2025	600	$ 297.13
4/27/2025 to 5/24/2025	—	—
5/25/2025 to 6/28/2025	600	319.29
Total/Average	1,200	308.21

Item 5: Other Information

In accordance with the disclosure requirement set forth in Item 408(a) of Regulation S-K, during the quarterly period ended June 28, 2025, no officer (as defined in Rule 16a-1(f) under the Securities Exchange Act of 1934, as amended) or director adopted, modified or terminated a contract, instruction or written plan for the purchase or sale of securities of the company intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or a non-Rule 10b5-1 trading arrangement.

Item 6: Exhibits

Exhibit 31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
Exhibit 31.2	Certification of Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
Exhibit 32.1	Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
Exhibit 32.2	Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
Exhibit 101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document
Exhibit 101.SCH	Inline XBRL Taxonomy Extension Schema Document
Exhibit 101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
Exhibit 101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
Exhibit 101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
Exhibit 101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
Exhibit 104	Cover page Inline XBRL data (contained in Exhibit 101)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, Snap-on Incorporated has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

SNAP-ON INCORPORATED

Date: July 17, 2025

/s/ Aldo J. Pagliari

Aldo J. Pagliari, Principal Financial Officer,
Senior Vice President – Finance and
Chief Financial Officer

EXHIBIT 31.1

Certification of the Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Nicholas T. Pinchuk, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Snap-on Incorporated;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 17, 2025

/s/ Nicholas T. Pinchuk

Nicholas T. Pinchuk

Chief Executive Officer

EXHIBIT 31.2

Certification of the Principal Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Aldo J. Pagliari, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Snap-on Incorporated;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 17, 2025

/s/ Aldo J. Pagliari

Aldo J. Pagliari

Principal Financial Officer

EXHIBIT 32.1

Certification of Chief Executive Officer
Pursuant to 18 U.S.C. Section 1350,
As Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report of Snap-on Incorporated (the "Company") on Form 10-Q for the period ended June 28, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Nicholas T. Pinchuk as Chief Executive Officer of the Company, hereby certifies, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, to the best of his knowledge, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Nicholas T. Pinchuk
Nicholas T. Pinchuk
Chief Executive Officer
July 17, 2025

EXHIBIT 32.2

Certification of Principal Financial Officer
Pursuant to 18 U.S.C. Section 1350,
As Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report of Snap-on Incorporated (the "Company") on Form 10-Q for the period ended June 28, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Aldo J. Pagliari as Principal Financial Officer of the Company, hereby certifies, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, to the best of his knowledge, that:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Aldo J. Pagliari
Aldo J. Pagliari
Principal Financial Officer
July 17, 2025