

STANLEY WORKS
Form U-3A-2
February 28, 2005

File No. _____

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

FORM U-3A-2

Statement by Holding Company Claiming Exemption under Rule U-3A-2
From the Provisions of the Public Utility Holding Company Act of 1935

To Be Filed Annually Prior to March 1

THE STANLEY WORKS

hereby files with the Securities and Exchange Commission, pursuant to Rule 2, its statement claiming exemption as a holding company from the provisions of the Public Utility Holding Company Act of 1935, and submits the following information:

1. Name, State of organization, location and nature of business of claimant and every subsidiary thereof, other than any exempt wholesale generator (EWG) or foreign utility company in which claimant directly or indirectly holds an interest.

The Stanley Works ("Stanley" or the "Company") is a Connecticut corporation with its principal place of business at 1000 Stanley Drive, New Britain, Connecticut 06053. A list of its subsidiary companies is attached hereto and identified as Attachment 1. A description of the nature of Stanley's businesses and that of its subsidiaries, except for The Farmington River Power Company ("FRPC"), is attached hereto and identified as Attachment 2. The business of FRPC involves the generation, sale and distribution of electricity within the State of Connecticut.

2. A brief description of the properties of claimant and each of its subsidiary public utility companies used for the generation, transmission, and distribution of electric energy for sale, or for the production, transmission, and distribution of natural or manufactured gas, indicating the location of principal generating plants, transmissions lines, producing fields, gas manufacturing plants, and electric and gas distribution facilities, including all such properties which are outside the State in which claimant and its subsidiaries are organized and all transmission or pipelines which deliver or receive electric energy or gas at the borders of such State.

Stanley owns no properties used for the purposes listed above either within or without the State of Connecticut.

FRPC owns and operates the Rainbow Dam Hydroelectric Facility located on the Farmington River in Windsor, Connecticut. The hydroelectric facility consists of the

Edgar Filing: STANLEY WORKS - Form U-3A-2

Rainbow Dam, a power house with an 8 megawatt generating capacity, switching and transformer equipment, flow and flood rights and various storage and outbuildings all located in Windsor, Connecticut. In addition FRPC owns transmission line rights of way, running for approximately 22 miles within the State of Connecticut from the Rainbow Dam facility to New Britain, Connecticut. FRPC also owns a substation and various distribution lines all located within New Britain, Connecticut.

FRPC does not own any property located outside the State of Connecticut and does not own any property located on or in proximity to the borders of the State of Connecticut.

3. The following information for the last calendar year with respect to claimant and each of its subsidiary public utility companies:

a. Number of kwh. of electric energy sold (at retail or wholesale), and Mcf. of natural or manufactured gas distributed at retail.

Stanley - None.

FRPC - None.

b. Number of kwh. of electric energy and Mcf. of natural or manufactured gas distributed at retail outside the State in which each such company is organized.

Stanley - None.

FRPC - None.

c. Number of kwh. of electric energy and Mcf. of natural or manufactured gas sold at wholesale outside the State in which each such company is organized, or at the State line.

Stanley - None.

FRPC - None.

d. Number of kwh. of electric energy and Mcf. of natural or manufactured gas purchased outside the State in which each such company is organized or at the State line.

Stanley - None.

FRPC - None.

4. The following information for the reporting period with respect to claimant and each interest it holds directly or indirectly in an EWG or a foreign utility company, stating monetary amounts in United States dollars:

a. Name, location, business address and description of the facilities used by the EWG or foreign utility company for the generation, transmission and distribution of electric energy for sale or for the distribution at retail of natural or manufactured gas.

Not applicable.

b. Name of each system company that holds an interest in such EWG or foreign utility company; and description of the interest held.

Not applicable.

c. Type and amount of capital invested, directly or indirectly, by the holding company claiming exemption; any direct or indirect guarantee of the security of the EWG or foreign utility company by the holding company claiming exemption; and any debt or

other financial obligation for which there is recourse, directly or indirectly, to the holding company claiming exemption or another system company, other than the EWG or foreign utility company.

Not applicable.

- d. Capitalization and earnings of the EWG or foreign utility company during the reporting period.

Not applicable.

- e. Identify any service, sales or construction contract(s) between the EWG or foreign utility company and a system company, and describe the services to be rendered or goods sold and fees or revenues under such agreement(s).

Not applicable.

The above-named claimant has caused this statement to be duly executed on its behalf by its authorized officer on this 28th day of February, 2005.

The Stanley Works

By: /s/ Kathryn P. Sherer
Kathryn P. Sherer
Assistant General Counsel and
Assistant Secretary

[CORPORATE SEAL]

Attest:

/s/ Bruce H. Beatt
Bruce H. Beatt
Vice President, General Counsel and Secretary

Name, title and address of officer to whom notices and correspondence concerning this statement should be addressed:

Kathryn P. Sherer, Assistant General Counsel and Assistant Secretary
(Name) (Title)

1000 Stanley Drive, New Britain, CT 06053
(Address)

Exhibit A

The Stanley Works and Subsidiaries
 Consolidating Statements of Operations
 For the Fiscal Year Ended January 1, 2005
(Unaudited, Thousands of Dollars)

| | Farmington River Power Company | All Other Subsidiaries | Consolidated Stanley Works |
|--|-----------------------------------|---------------------------|-------------------------------|
| Net Sales | \$ 1,459 | \$ 3,041,898 | \$ 3,043,357 |
| Costs and Expenses: | | | |
| Cost of Sales | (99) | 1,931,118 | 1,931,019 |
| Selling, General & Administrative | - | 694,362 | 694,362 |
| Interest, Net | - | 34,389 | 34,389 |
| Other, Net | (177) | 47,035 | 46,858 |
| Restructuring Charges & Asset Impairments | - | 7,666 | 7,666 |
| | (276) | 2,714,570 | 2,714,294 |
| Earnings from Continuing Operations | | | |
| Before Income Taxes | 1,735 | 327,328 | 329,063 |
| Income Taxes | 713 | 88,166 | 88,879 |
| Net Earnings from Continuing Operations | 1,022 | 239,162 | 240,184 |
| Net Earnings from Discontinued Operations | - | 126,762 | 126,762 |
| Net Earnings | \$ 1,022 | \$ 365,924 | \$ 366,946 |

The Stanley Works and Subsidiaries
Consolidating Balance Sheet January 1, 2005
(Unaudited, Thousands of Dollars)

| | Farmington River Power Company | All Other Subsidiaries | Eliminations | Consolidated Stanley Works |
|--|-----------------------------------|---------------------------|--------------|-------------------------------|
| ASSETS | | | | |
| Current Assets | | | | |
| Cash and cash equivalents | \$ - | \$ 249,991 | \$ - | \$ 249,991 |
| Accounts & notes receivable | - | 581,952 | - | 581,952 |
| Inventories | - | 413,418 | - | 413,418 |
| Deferred taxes | - | 7,922 | - | 7,922 |
| Prepaid expenses | - | 74,357 | - | 74,357 |
| Assets held for sale | - | 44,285 | - | 44,285 |
| Total Current Assets | - | 1,371,925 | - | 1,371,925 |
| Property, Plant & Equipment | 1,767 | 397,163 | - | 398,930 |
| Goodwill & Other Intangible Assets | - | 92,220 | - | 928,220 |
| Other Assets | - | 146,308 | 5,245 | 151,553 |
| Total Assets | \$ 1,767 | \$ 2,843,616 | \$ 5,245 | \$ 2,850,628 |
| LIABILITIES & SHAREOWNERS' EQUITY | | | | |
| Current Liabilities | | | | |
| Current maturities of long-term debt | \$ - | \$ 55,422 | \$ - | \$ 55,422 |
| Short-term borrowings | - | 47,079 | - | 47,709 |
| Accounts payable | - | 300,355 | - | 300,355 |
| Accrued expenses | 370 | 415,586 | - | 415,956 |
| Liabilities held for sale | - | - | - | - |
| Total Current Liabilities | 370 | 818,442 | - | 818,812 |
| Long-Term Debt | - | 481,797 | - | 481,797 |
| Deferred Taxes | - | 90,019 | - | 90,019 |
| Other Liabilities | 924 | 237,764 | - | 238,688 |
| Total Liabilities | 1,294 | 1,628,022 | - | 1,629,316 |
| Shareowners' Equity | | | | |
| Preferred stock | - | - | - | - |
| Common stock | 150 | 237,543 | - | 237,694 |
| Retained earnings | 1,361 | 1,494,948 | - | 1,496,309 |
| Accumulated other comprehensive loss | - | (55,157) | - | (55,157) |

Edgar Filing: STANLEY WORKS - Form U-3A-2

| | | | | |
|---|----------|--------------|----------|--------------|
| ESOP Debt | - | (166,927) | - | (166,927) |
| Affiliate Investment | (1,038) | (4,207) | 5,245 | - |
| | 473 | 1,506,200 | 5,245 | 1,511,918 |
| Less: Cost of Common Stock in Treasury | - | (290,606) | - | (290,606) |
| Total Shareowners' Equity | 473 | 1,215,594 | 5,245 | 1,221,312 |
| Total Liabilities & Shareowners' Equity | \$ 1,767 | \$ 2,843,616 | \$ 5,245 | \$ 2,850,628 |

- 5 -

EXHIBIT B

Not Applicable

ATTACHMENT 1

SUBSIDIARIES OF THE STANLEY WORKS

The following is a list of all active subsidiaries of The Stanley Works as of January 1, 2005. All subsidiaries, except those marked with an asterisk, are included in the Consolidated Financial Statements of The Stanley Works.

| <u>CORPORATE NAME</u> | <u>JURISDICTION OF INCORPORATION/ ORGANIZATION</u> |
|---|--|
| <u>Domestic Subsidiaries</u> | |
| BAI, INC. | U.S.A. (Indiana) |
| Cal Dor Specialties, Inc. | U.S.A. (California) |
| China Sourcing, L.L.C. | U.S.A. (Delaware) |
| Contact East, Inc. | U.S.A. (Massachusetts) |
| Frisco Bay Industries, Ltd. | U.S.A. (Maryland) |
| ISR Solutions, Inc. | U.S.A. (Delaware) |
| ISR Solutions (Northern California), Inc. | U.S.A. (California) |
| ISR Solutions (Pennsylvania), Inc. | U.S.A. (Pennsylvania) |
| ISR Solutions (Virginia), Inc. | U.S.A. (Delaware) |
| JennCo1, Inc. | U.S.A. (Delaware) |
| JennCo2, Inc. | U.S.A. (Delaware) |
| Stanley Atlantic, Inc. | U.S.A. (Delaware) |
| Stanley-Bostitch Holding Corporation | U.S.A. (Delaware) |
| Stanley Canada Holdings, L.L.C. | U.S.A. (Delaware) |
| Stanley European Holdings, L.L.C. | U.S.A. (Delaware) |
| Stanley Fastening Systems, LP | U.S.A. (Delaware) |
| Stanley Funding Corporation* | U.S.A. (Delaware) |
| Stanley Housing Fund, Inc. | U.S.A. (Delaware) |
| Stanley International Holdings, Inc. | U.S.A. (Delaware) |
| Stanley Israel Investments, Inc. | U.S.A. (Delaware) |
| Stanley Logistics, Inc. | U.S.A. (Delaware) |
| Stanley Pacific Inc. | U.S.A. (Delaware) |
| Stanley Security Solutions, Inc. | U.S.A. (Indiana) |
| The Farmington River Power Company | U.S.A. (Connecticut) |
| ZAG USA, Inc. | U.S.A. (Delaware) |

International Subsidiaries

| | |
|---|------------------|
| 3495981 Canada Inc. | Canada (Quebec) |
| 6181708 Canada Inc. | Canada (Ontario) |
| African Time Systems Corporation (Proprietary) Ltd. | South Africa |
| Alfia Limited | England |
| Amano Blick International (Europe) Ltd. | England |
| Beijing Bostitch Fastening Systems Co., Ltd. | China |

Edgar Filing: STANLEY WORKS - Form U-3A-2

| | |
|--|----------------------|
| Best Access Systems Co. / Les Systemes D'Access Best Cie | Canada (Nova Scotia) |
| Best Access Systems Limited | China (Hong Kong) |
| Best Systems Corporation Pte. Ltd. | Singapore |
| Blick Communications Limited | England |

- 7 -

| <u>CORPORATE NAME</u> | <u>JURISDICTION OF INCORPORATION/ ORGANIZATION</u> |
|--|--|
| Blick Dormants Limited | England |
| Blick France S.A.R.L. | France |
| Blick International Systems Limited | England |
| Blick Ireland Limited | Ireland |
| Blick Software Systems Limited | England |
| Blick South Africa (Proprietary) Limited | South Africa |
| Blick Telefusion Communications Limited | England |
| Blick U.K. Limited | England |
| CST G.m.b.H. | Germany |
| CST S.r.l. | Italy |
| Charge Industries, Inc. | Canada (Nova Scotia) |
| Chiro Tools Holdings B.V. | Netherlands |
| Friess G.m.b.H. | Germany |
| FRISCO ATMS Limited Partnership / FRISCO ATMS Societe en Commandite | Canada |
| Frisco Bay Industries Ltd. | Canada |
| Frisco Finance LP | Canada |
| Herramientas Stanley S.A. de C.V. | Mexico |
| Isgus International Limited | England & Wales |
| Mac Tools Canada Inc. | Canada (Ontario) |
| Mosley-Stone Limited | United Kingdom |
| PAC International Limited | England |
| S.A. Stanley Works (Belgium) B.V.B.A | Belgium |
| SWK (U.K.) Holding Limited | England & Wales |
| SWK (UK) Limited | England & Wales |
| Stanley Bostitch G.m.b.H. | Germany |
| Stanley-Bostitch, S.A. de C.V. | Mexico |
| Stanley CLP1 | Canada (Alberta) |
| Stanley CLP2 | Canada (Alberta) |
| Stanley Canada Corporation | Canada (Nova Scotia) |
| Stanley Chiro International Ltd. | Taiwan |
| Stanley de Chihuahua S. de R.L. de C.V. | Mexico |
| Stanley do Brasil Ltda. | Brazil |
| Stanley Doors France, S.A.S. | France |
| Stanley Europe B.V.B.A. | Belgium |
| Stanley European Holdings B.V. | Netherlands |
| Stanley Fastening Systems Poland Sp. z o.o. | Poland |
| Stanley Finance Hungary Group Financing Limited Liability Company | Hungary |
| Stanley Foreign Sales Corporation | Virgin Islands |
| Stanley France Services, SAS | France |
| Stanley France, S.A.S. | France |
| Stanley Iberia S.L. | Spain |
| Stanley Israel Investments B.V. | Netherlands |
| Stanley Italia S.r.l. | Italy |
| Stanley Nordic ApS | Denmark |

Edgar Filing: STANLEY WORKS - Form U-3A-2

Stanley Sales and Marketing Poland Sp. z o.o.
Stanley Security Solutions - Europe Limited
Stanley Svenskas Aktiebolag

Poland
England
Sweden

- 8 -

| <u>CORPORATE NAME</u> | <u>JURISDICTION OF INCORPORATION/ ORGANIZATION</u> |
|--|--|
| Stanley Technology Co. Ltd. | China |
| Stanley (Tianjin) International Trading Co. Ltd. | China |
| Stanley Tools (N.Z.) Ltd. | New Zealand |
| Stanley Tools, S.A.S. | France |
| Stanley Tools S.r.l. | Italy |
| Stanley U.K. Holding Ltd. | United Kingdom |
| Stanley UK Limited | United Kingdom |
| Stanley UK Sales Limited | United Kingdom |
| Stanley UK Services Limited | United Kingdom |
| Stanley Works Asia Pacific Pte. Ltd. | Singapore |
| Stanley Works China Investments Limited | British Virgin Islands |
| Stanley Works (Europe) AG | Switzerland |
| Stanley Works Holdings B.V. | Netherlands |
| Stanley Works (India) Private Limited | India |
| Stanley Works Limited | Thailand |
| Stanley Works (Malaysia) Sdn Bhd | Malaysia |
| Stanley Works (Nederland) B.V. | Netherlands |
| Stanley (Zhongshan) Hardware Co., Ltd. | China |
| Stichting Beheer Intellectuele Eigendomsrechten Blick Benelux BV | Netherlands |
| Suomen Stanley OY | Finland |
| TCS Group BV | Netherlands |
| T.S.W. Israel Investments Ltd. | Israel |
| Teletechnicom Holding BV | Netherlands |
| The Stanley Works (Bermuda) Ltd. | Bermuda |
| The Stanley Works C.V. | Netherlands |
| The Stanley Works Japan | Japan |
| The Stanley Works (Langfang) Fastening Systems Co., Ltd. | China |
| The Stanley Works Limited | United Kingdom |
| The Stanley Works Pty. Ltd. | Australia |
| The Stanley Works Sales (Philippines), Inc. | Philippines |
| The Stanley Works (Shanghai) Co., Ltd. | China |
| The Stanley Works (Shanghai) Management Co., Ltd. | China |
| The Stanley Works (Zhongshan) Tool Co., Ltd. | China |
| Tona a.s. | Czech Republic |
| Z.A.G. Industries Ltd. | Israel |
| Z.A.G. U.K. Limited | United Kingdom |

ATTACHMENT 2

NARRATIVE DESCRIPTION OF BUSINESS

The Company's operations are classified into three business segments: Consumer Products, Industrial Tools, and Security Solutions.

Consumer Products

The Consumer Products segment manufactures and markets hand tools, consumer mechanics tools and storage units and hardware. These products are sold to customers and distributed directly to retailers (including home centers, mass merchants, hardware stores, and retail lumber yards) as well as through third party distributors.

Hand tools include measuring instruments, planes, hammers, knives and blades, screwdrivers, saws, chisels, boring tools, masonry, tile and drywall tools, as well as electronic stud sensors, levels, alignment tools and elevation measuring systems. The Company markets its hand tools under the Stanley(R), FatMax(R), Powerlock(R), IntelliTools(TM) and Goldblatt(R) brands.

Consumer mechanics hand tools include wrenches, sockets and tool boxes. Mechanics tools are marketed under the Stanley(R), Husky(R) and ZAG(R) brands.

Industrial Tools

The Industrial Tools segment manufactures and markets professional mechanics, pneumatic, hydraulic and electronic measuring tools. These products are sold to customers and distributed primarily through third party distributors.

Professional mechanics tools include wrenches, sockets, electronic diagnostic tools, tool boxes and high-density industrial storage and retrieval systems. Professional mechanics tools are marketed under the Stanley(R), Proto(R), Mac(R), Jensen(R), Vidmar(R), Blackhawk(TM) by Proto(R), CST Berger and David White brands.

Pneumatic tools include Bostitch(R) fastening tools and fasteners (nails and staples) used for construction, remodeling, furniture making and pallet manufacturing. Electric and pneumatic assembly tools marketed under the Stanley(R) brand (these are high performance, precision tools, controllers and systems for tightening threaded fasteners used chiefly by vehicle manufacturers).

Hydraulic tools include Stanley(R) hand-held hydraulic tools used by contractors, utilities, railroads and public works as well as LaBounty(R) mounted demolition hammers and compactors designed to work on skid steer loaders, mini-excavators, backhoes and large excavators.

Security Solutions

The Security Solutions segment is a provider of access and security solutions for institutional, commercial and industrial businesses and organizations. The company provides a comprehensive suite of security products and a variety of security services. The company manufactures and markets automatic doors, door locking systems, commercial hardware and security access control systems. Products in the Security Solutions segment include security integration systems, software, related installation and maintenance services, automatic doors, and locking mechanisms. Security products are marketed under the Stanley(R), Blick(R), Frisco Bay(R), PAC(R), ISR(TM), WanderGuard(R), StanVision(TM) and BEST(R) brands and are sold directly to end users and retailers as well as through third party distributors.

