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STANLEY WORKS  
Form U-3A-2  
February 27, 2004

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

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the 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 sold 42,831,600 kwh. of electric energy during 2003.

(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.

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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 27th day of February, 2004.

The Stanley Works

By: /s/ Kathryn Partridge

-----  
Kathryn Partridge  
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:

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Kathryn Partridge, 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 3, 2004  
 (Unaudited, Thousands of Dollars)

|  | Farmington<br>River Power<br>Company | All Other<br>Subsidiaries | Consolidated<br>Stanley<br>Works |
|--|--------------------------------------|---------------------------|----------------------------------|
|  | -----                                | -----                     | -----                            |
| Net Sales  | \$ -                                 | \$2,678,134               | \$2,678,134                      |
| Costs and Expenses:  |                                      |                           |                                  |
| Cost of Sales  | (86)                                 | 1,785,390                 | 1,785,304                        |
| Selling, General and<br>Administrative                     | -                                    | 637,831                   | 637,831                          |
| Interest, Net  | -                                    | 28,300                    | 28,300                           |
| Other, Net   | 69                                   | 40,367                    | 40,436                           |
| Restructuring Charges and<br>Asset Impairments             | -                                    | 53,218                    | 53,218                           |
|  | -----                                | -----                     | -----                            |
|  | (17)                                 | 2,545,106                 | 2,545,089                        |
|  | -----                                | -----                     | -----                            |
| Earnings from Continuing<br>Operations Before Income Taxes | 17                                   | 133,028                   | 133,045                          |
| Income Taxes   | 5                                    | 36,262                    | 36,267                           |
|  | -----                                | -----                     | -----                            |
| Net Earnings from Continuing<br>Operations                 | 12                                   | 96,766                    | 96,778                           |
| Net Earnings from Discontinued<br>Operations               | -                                    | 11,171                    | 11,171                           |
|  | -----                                | -----                     | -----                            |
| Net Earnings   | \$ 12                                | \$ 107,937                | \$ 107,949                       |
|  | =====                                | =====                     | =====                            |

The Stanley Works and Subsidiaries

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Consolidating Balance Sheet  
January 3, 2004  
(Unaudited, Thousands of Dollars)

|  | Farmington<br>River Power<br>Company | All Other<br>Subsidiaries | Eliminations      | Consolidated<br>Stanley<br>Works |
|--|--------------------------------------|---------------------------|-------------------|----------------------------------|
|  | -----                                | -----                     | -----             | -----                            |
| <b>ASSETS</b>                              |                                      |                           |                   |                                  |
| <b>Current Assets</b>                      |                                      |                           |                   |                                  |
| Cash and Cash Equivalents                  | \$ -                                 | \$ 204,403                | \$ -              | \$ 204,403                       |
| Accounts and Notes Receivable              | -                                    | 482,446                   | -                 | 482,446                          |
| Inventories                                | -                                    | 377,125                   | -                 | 377,125                          |
| Deferred Taxes                             | -                                    | 23,551                    | -                 | 23,551                           |
| Prepaid Expense and Other                  |                                      |                           |                   |                                  |
| Current Assets                             | -                                    | 75,237                    | -                 | 75,237                           |
| Assets Held for Sale                       | -                                    | 37,895                    | -                 | 37,895                           |
|  | -----                                | -----                     | -----             | -----                            |
| <b>Total Current Assets</b>                | <b>-</b>                             | <b>1,200,657</b>          | <b>-</b>          | <b>1,200,657</b>                 |
|  | -----                                | -----                     | -----             | -----                            |
| <b>Property, Plant and</b>                 |                                      |                           |                   |                                  |
| <b>Equipment</b>                           | <b>1,858</b>                         | <b>411,433</b>            | <b>-</b>          | <b>413,291</b>                   |
| <b>Goodwill and Other</b>                  |                                      |                           |                   |                                  |
| Intangible Assets                          | -                                    | 643,291                   | -                 | 643,291                          |
| Other Assets                               | -                                    | 171,409                   | (4,870)           | 166,539                          |
|  | -----                                | -----                     | -----             | -----                            |
| <b>Total Assets</b>                        | <b>\$1,858</b>                       | <b>\$2,426,790</b>        | <b>\$ (4,870)</b> | <b>\$2,423,778</b>               |
|  | =====                                | =====                     | =====             | =====                            |
| <b>LIABILITIES AND SHAREOWNERS' EQUITY</b> |                                      |                           |                   |                                  |
| <b>Current Liabilities</b>                 |                                      |                           |                   |                                  |
| <b>Current Maturities of</b>               |                                      |                           |                   |                                  |
| Long-term Debt                             | \$ -                                 | \$ 157,678                | \$ -              | \$ 157,678                       |
| Accounts Payable                           | 71                                   | 240,117                   | -                 | 240,188                          |
| Accrued Expenses                           | 1,170                                | 325,228                   | -                 | 326,398                          |
| Liabilities Held for Sale                  | -                                    | 29,199                    | -                 | 29,199                           |
|  | -----                                | -----                     | -----             | -----                            |
| <b>Total Current Liabilities</b>           | <b>1,241</b>                         | <b>752,222</b>            | <b>-</b>          | <b>753,463</b>                   |
|  | -----                                | -----                     | -----             | -----                            |
| Long-term Debt                             | -                                    | 534,452                   | -                 | 534,452                          |
| Deferred Taxes                             | (420)                                | 82,022                    | -                 | 81,602                           |
| Other Liabilities                          | -                                    | 195,819                   | -                 | 195,819                          |
|  | -----                                | -----                     | -----             | -----                            |
| <b>Total Liabilities</b>                   | <b>821</b>                           | <b>1,564,515</b>          | <b>-</b>          | <b>1,565,336</b>                 |
|  | -----                                | -----                     | -----             | -----                            |
| <b>Shareowners' Equity</b>                 |                                      |                           |                   |                                  |
| Preferred Stock                            | -                                    | -                         | -                 | -                                |
| Common Stock                               | 150                                  | 237,554                   | (150)             | 237,554                          |
| Retained Earnings                          | 337                                  | 1,201,748                 | -                 | 1,202,085                        |
| Accumulated Other                          |                                      |                           |                   |                                  |
| Comprehensive Loss                         | -                                    | (84,281)                  | -                 | (84,281)                         |
| ESOP Debt                                  | -                                    | (173,827)                 | -                 | (173,827)                        |
| Affiliate Investment                       | 550                                  | 4,170                     | (4,720)           | -                                |
|  | -----                                | -----                     | -----             | -----                            |
|  | <b>1,037</b>                         | <b>1,185,364</b>          | <b>(4,870)</b>    | <b>1,181,531</b>                 |
|  | -----                                | -----                     | -----             | -----                            |
| <b>Less: Cost of Common</b>                |                                      |                           |                   |                                  |
| <b>Stock in Treasury</b>                   | <b>-</b>                             | <b>(323,089)</b>          | <b>-</b>          | <b>(323,089)</b>                 |
|  | -----                                | -----                     | -----             | -----                            |
| <b>Total Shareowners' Equity</b>           | <b>1,037</b>                         | <b>862,275</b>            | <b>(4,870)</b>    | <b>858,442</b>                   |
|  | -----                                | -----                     | -----             | -----                            |

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|  |                  |                      |                     |                      |
|--|------------------|----------------------|---------------------|----------------------|
| Total Liabilities and<br>Shareowners' Equity | \$1,858<br>===== | \$2,426,790<br>===== | \$ (4,870)<br>===== | \$2,423,778<br>===== |
|--|------------------|----------------------|---------------------|----------------------|

EXHIBIT B

Not Applicable

EXHIBIT C

Not Applicable

ATTACHMENT 1

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

| CORPORATE NAME<br>-----              | JURISDICTION OF<br>INCORPORATION/<br>ORGANIZATION<br>----- |
|--------------------------------------|--|
| Domestic Subsidiaries<br>-----       |  |
| BAI, INC.                            | U.S.A. (Indiana)   |
| China Sourcing, L.L.C.               | U.S.A. (Delaware)  |
| Contact East, Inc.                   | U.S.A. (Massachusetts)                                     |
| 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 Receivables Corporation*     | U.S.A. (Delaware)  |

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|                                    |                      |
|------------------------------------|----------------------|
| 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

|  |                      |
|--|----------------------|
| -----  |                      |
| A.M.T.Y. Vermogensverwoltan G.m.b.H. Island of Nevis | Beijing Daxing       |
| Stanley-Bostitch                                     |                      |
| Metal Industries Co., Ltd.                           | China                |
| Best Access Systems Co. /                            |                      |
| Les Systemes D'Access Best Cie                       | Canada (Nova Scotia) |
| Best Access Systems Limited                          | Hong Kong            |
| Best Systems Corporation Pte. Ltd.                   | Singapore            |
| Charge Industries, Inc.                              | Canada (Nova Scotia) |
| Chiro Tools Holdings B.V.                            | Netherlands          |
| Design & Shoot Ltd.                                  | Israel               |
| F.I.P.A. Due S.r.l.                                  | Italy                |
| Friess G.m.b.H.                                      | Germany              |
| Herramientas Stanley S.A. de C.V.                    | Mexico               |
| International Staple & Machine Co. Belgium N.V.      | Belgium              |
| Mac Tools Canada Inc.                                | Canada (Ontario)     |
| Mosley-Stone Limited                                 | United Kingdom       |
| R.G.T.I. Ltd.  | Island of Nevis      |
| S.A. Stanley Works (Belgium) N.V.                    | Belgium              |
| Stanley Bostitch G.m.b.H.                            | Germany              |
| Stanley-Bostitch, S.A. de C.V.                       | Mexico               |
| Stanley Canada Corporation                           | Canada (Nova Scotia) |
| Stanley Chiro International Ltd.                     | Taiwan               |
| Societe Civile Immobiliere WAT                       | France               |
| Stanley CLP1   | Canada (Alberta)     |
| Stanley CLP2   | Canada (Alberta)     |

### CORPORATE NAME

### JURISDICTION OF INCORPORATION/ ORGANIZATION

|  |                |
|--|----------------|
| -----  | -----          |
| 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 European Holdings II B.V.                                    | Netherlands    |
| Stanley Fastening Systems Poland (SP.z.o.o.)                         | Poland         |
| Stanley Finance Hungary Group Financing<br>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        |
| Stanley Sales and Marketing Poland Sp.z.o.o.                         | Poland         |
| Stanley Svenskas Aktiebolag  | Sweden         |
| Stanley (Tianjin) International Trading Co. Ltd.                     | China          |
| Stanley Tools (N.Z.) Ltd.  | New Zealand    |
| Stanley Tools France, S.A.S.   | France         |
| Stanley Tools S.r.l.   | Italy          |
| Stanley U.K. Holding Ltd.  | United Kingdom |

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|  |                        |
|--|------------------------|
| 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)             | Thailand               |
| Stanley Works (Malaysia) Sdn Bhd             | Malaysia               |
| Stanley Works (Nederland) B.V.               | Netherlands            |
| Stanley (Zhongshan) Hardware Co., Ltd.       | China                  |
| Suomen Stanley OY                            | Finland                |
| T.S.W. Israel Investments Ltd.               | Israel                 |
| The Stanley Works (Bermuda) Ltd.             | Bermuda                |
| The Stanley Works C.V.                       | Netherlands            |
| The Stanley Works Japan K.K.                 | Japan                  |
| 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 (Zhongshan) Tool Co., Ltd. | China                  |
| Tona a.s. Pecky                              | Czech Republic         |
| ZAG Industries Ltd.                          | Israel                 |
| ZAG Israel Marketing Ltd.                    | Israel                 |
| ZAG Latin America Ltd.                       | Brazil                 |
| ZAG Operation (Assets) Ltd.                  | Israel                 |
| ZAG U.K. Limited                             | United Kingdom         |

### ATTACHMENT 2

#### Narrative Description of the Business

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The Stanley Works ("Stanley" or the "Company") was founded in 1843 by Frederick T. Stanley and incorporated in 1852. Stanley is a worldwide producer of tools and door products for professional, industrial and consumer use. Stanley(R) is a brand recognized around the world for quality and value.

In 2003, Stanley had net sales of \$2.7 billion and employed approximately 13,500 people worldwide. The Company's principal executive office is located at 1000 Stanley Drive, New Britain, Connecticut 06053 and its telephone number is (860) 225-5111.

The Company's operations are classified into two business segments: Tools and Doors.

#### Tools

-----

The Tools segment manufactures and markets carpenters, mechanics, pneumatic and hydraulic tools as well as tool sets. 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. Carpenters tools include hand tools such as 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 carpenters tools under the Stanley(R), FatMax(R), MaxGrip(TM), Powerlock(R), IntelliTools(TM), Dynagrip(R), and Goldblatt(R) brands.



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Mechanics tools include consumer, industrial and professional mechanics hand tools, including wrenches, sockets, electronic diagnostic tools, tool boxes and high-density industrial storage and retrieval systems. Mechanics tools are marketed under the Stanley(R), Proto(R), Mac(R), Husky(R), Jensen(R), Vidmar(R), ZAG(R) and Blackhawk(TM) by Proto (R) brands.

Pneumatic tools include Bostitch(R) fastening tools and fasteners (nails and staples) used for construction, remodeling, furniture making, pallet manufacturing and consumer use and pneumatic air tools marketed under the Stanley(R) brand (these are high performance, precision assembly 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.

### Doors

-----

The Doors segment manufactures and markets commercial and automatic doors, as well as closet doors and systems, home decor, door locking systems, commercial and consumer hardware, security access control systems and patient monitoring devices. Products in the Doors segment include mirrored closet doors and closet organizing systems, automatic doors as well as related door hardware products ranging from hinges, hasps, bolts and latches to shelf brackets and lock sets. Door products are marketed under the Stanley(R), Magic-Door(R) Stanley-Acmetrack(TM), Monarch(TM), Acme(R), WanderGuard(R), StanVision(TM) and BEST(R) brands and are sold directly to end users and retailers as well as through third party distributors.