$>$ See separate instructions.

## Part I Reporting Issuer

1 Issuer's name

THE TORO COMPANY
3 Name of contact for additional information

Tom Larson $\quad$ 952-888-8801
6 Number and street (or P.O. box if mail is not delivered to street address) of contact

8111 LYNDALE AVENUE SOUTH
9 Classification and description

June 15, 2012 Two for One Stock Split of Toro Company Common Stock
10 CUSIP number

891092108

## Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for
the action On May 24, 2012, the Company's Board of Directors declared a two-for-one stock split of the Company's common stock. The stock split is structured as a 100 percent stock dividend. Each shareholder will receive one additional share of Toro common stock for each share held on June 15,2012 , the record date. The distribution date for the new shares will be June 29, 2012.
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15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis The basis for each share following the stock distribution on June 29, 2012 will equal 50 percent of the pre-distribution basis of that share. The number of shares held by each shareholder will double. Thus the stock split will not change the total basis of each shareholder's investment in the stock, nor will it change the interest that each shareholder maintains in the company.
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$\square$

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates Each shareholder's existing tax basis in their shares of common stock will need to be spread over twice the number of shares as a result of the two-for-one stock split occuring on June 29, 2012.

## Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based
The stock split is not a taxable event and there will be no resulting tax consequences to U.S. shareholders pursuant to Internal Revenue Code $305(a)$, which states that gross income does not include a distribution of a corporation's stock made by such a corporation to its shareholders with respect to its stock. Referencing Internal Revenue Code 307(a), shareholders must compute basis for split shares received by allocating the adjusted basis of the old stock between the old and the new stock.
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18 Can any resulting loss be recognized? From a U.S. federal income tax standpoint, the stock split is not a taxable event and there are no resulting tax consequences to U.S. residents. Therefore, the stock split will not result in any gains or losses.
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19 Provide any other information necessary to implement the adjustment, such as the reportable tax year $\downarrow$
The reportable tax year is 2012.
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Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054 JSA 1W9505 1.000

