

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

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934
Date of Report (Date of earliest event reported): September 3, 2026

THE TORO COMPANY
(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation)	1-8649 (Commission File Number)	41-0580470 (I.R.S. Employer Identification No.)
8111 Lyndale Avenue South Bloomington, Minnesota (Address of principal executive offices)		55420 (Zip Code)

Registrant's telephone number, including area code: (952) 888-8801
Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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, par value \$0.01 per share	TTC	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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. ☐

Item 2.02 Results of Operations and Financial Condition.

On September 3, 2026, The Toro Company announced its financial results for the three and nine month periods ended July 31, 2026.

Attached to this Current Report on Form 8-K as Exhibit 99.1 is a copy of The Toro Company's press release in connection with the announcement. The information in this Item 2.02, including the exhibit attached hereto, is furnished pursuant to Item 2.02 and shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Securities Exchange Act of 1934, except as shall be expressly set forth by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits.

Exhibit No.	Description
99.1	Press release dated September 3, 2026 (furnished herewith).
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURES

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

THE TORO COMPANY
(Registrant)

Date: September 3, 2026

/s/ Angela C. Drake

Angela C. Drake

Vice President and Chief Financial Officer



**THE TORO
COMPANY**

Investor Relations

Heather Hille

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For Immediate Release

The Toro Company Reports Record Third-Quarter Results

Raises full-year guidance based on continued strong demand trends

- Net sales up 8.4% year-over-year to \$1.23 billion
- Reported EPS up 50.0% year-over-year to \$0.81
- *Adjusted EPS up 7.3% year-over-year to \$1.33
- Returned \$110 million to shareholders bringing the year-to-date total to \$471 million

BLOOMINGTON, Minn.—(BUSINESS WIRE) — September 3, 2026—The Toro Company (NYSE: TTC), a leading global provider of solutions for the outdoor environment, today reported results for its fiscal third-quarter ended July 31, 2026.

"Strong momentum continued in the third quarter, supported by sustained demand across our portfolio and our consistent focus on operational excellence and margin expansion," said Richard M. Olson, chairman and chief executive officer. "The Professional segment demand drives overall performance, aided by Residential improvement on both the top and bottom line. We continue to reduce inventory and improve working capital. These company initiatives also drive robust free cash flow and value creation for our shareholders, through dividends and share repurchases."

OUTLOOK

“Our end markets are healthy, customer response to our innovative new products has been strong, and our team’s disciplined execution continues to drive growth across all of our businesses. Productivity initiatives are delivering margin expansion and the team is effectively managing inventory. This gives us the confidence to raise our full-year guidance.”

The company is raising its full-year net sales and *adjusted EPS guidance and now expects total company net sales growth in the range of 6.3% to 6.6%, up from the previous range of 4.0% to 6.5%, and *adjusted EPS in the range of \$4.60 to \$4.65, up from the previous range of \$4.50 to \$4.62.

THIRD-QUARTER FISCAL 2026 FINANCIAL HIGHLIGHTS

(dollars in millions, except per share data)	Reported			Adjusted*		
	F26 Q3	F25 Q3	% Change	F26 Q3	F25 Q3	% Change
Net Sales	\$ 1,225.8	\$ 1,131.3	8.4 %	\$ 1,225.8	\$ 1,131.3	8.4 %
Net Earnings	\$ 77.0	\$ 53.5	43.9 %	\$ 126.8	\$ 122.5	3.5 %
Diluted EPS	\$ 0.81	\$ 0.54	50.0 %	\$ 1.33	\$ 1.24	7.3 %

THIRD-QUARTER FISCAL 2026 SEGMENT RESULTS

Professional Segment

- Professional segment net sales for the third quarter were \$1,012.6 million, up 8.8% from \$930.8 million in the same period last year. The increase was driven primarily by higher volume, net price realization, and the Tornado acquisition.
- Professional segment earnings for the third quarter were \$211.8 million, up from \$198.5 million in the same period last year, and when expressed as a percentage of net sales, 20.9%, down from 21.3% in the prior-year period. The margin decrease was primarily due to higher material and manufacturing costs and product mix, partially offset by net price realization, productivity improvements, and net sales leverage.

Residential Segment

- Residential segment net sales for the third quarter were \$209.3 million, up 8.6% from \$192.80 million in the same period last year. The increase was primarily driven by higher volume of walk power mowers and net price realization.
- Residential segment earnings for the third quarter were \$12.4 million, up from \$3.70 million in the same period last year, and when expressed as a percentage of net sales, 5.9%, up from 1.9% in the prior-year period. The increase was largely driven by productivity improvements, net price realization, net sales leverage, and prior year inventory valuation adjustments that did not recur, partially offset by higher material and manufacturing costs.

OPERATING RESULTS

Gross margin and *adjusted gross margin for the third quarter were 34.1% and 35.0%, respectively, up from 33.7% and 34.4%, respectively, in the same prior-year period. The change in gross margin was primarily due to net price realization, productivity improvements, and net sales leverage, partially offset by higher material and manufacturing costs.

SG&A expense as a percentage of net sales for the third quarter was 21.2%, compared with 20.8% in the prior-year period, primarily driven by higher incentive expenses.

Operating earnings as a percentage of net sales were 9.4% for the third quarter, compared with 5.7% in the same prior-year period. *Adjusted operating earnings as a percentage of net sales for the third quarter were 13.9%, compared with 13.6% in the same prior-year period.

Interest expense was \$13.8 million for the third quarter, down \$1.3 million from the same prior-year period. This decrease was primarily due to lower average interest rates and lower average outstanding borrowings.

The reported effective tax rate for the third quarter was 28.0%, compared with 7.4% in the same prior-year period, primarily due to the impact of non-recurring adjustments and a less favorable geographic mix of earnings. The *adjusted effective tax rate for the third quarter was 22.4% compared with 17.3% in the same prior-year period, primarily due to a less favorable geographic mix of earnings.

**Non-GAAP financial measure. Please refer to the "Use of Non-GAAP Financial Information" for details regarding these measures, as well as the tables provided for a reconciliation of historical non-GAAP financial measures to the most comparable GAAP measures.*

LIVE CONFERENCE CALL

September 3, 2026 at 10:00a.m. CT

www.thetorocompany.com/invest

The Toro Company will conduct its earnings call and webcast for investors beginning at 10:00a.m. CT on September 3, 2026. The webcast will be available at www.thetorocompany.com/invest. Webcast participants will need to complete a brief registration form and should allocate extra time before the webcast begins to register and, if necessary, install audio software.

About The Toro Company

The Toro Company (NYSE: TTC) is a leading global provider of solutions for the outdoor environment including turf and landscape maintenance, snow and ice management, underground construction, rental and specialty construction, and irrigation and outdoor lighting solutions. With net sales of \$4.5 billion in fiscal 2025, The Toro Company's global presence extends to more than 125 countries through a family of brands that includes Toro, Ditch Witch, Exmark, BOSS, Ventrac, Tornado, HammerHead, American Augers, Spartan, Subsite, Radius, Hayter, Perrot, Unique Lighting Systems, Irritrol, and Lawn-Boy. Through constant innovation and caring relationships built on trust and integrity, The Toro Company and its family of brands have built a legacy of excellence by helping customers work on golf courses, sports fields, construction sites, public green spaces, commercial and residential properties and agricultural operations. For more information, visit www.thetorocompany.com.

Use of Non-GAAP Financial Information

This press release and the related earnings call reference certain non-GAAP financial measures, which are not calculated or presented in accordance with U.S. GAAP, as information supplemental and in addition to the most directly comparable financial measures calculated and presented in accordance with U.S. GAAP. The non-GAAP financial measures included within this press release and the related earnings call that are utilized as measures of the company's operating performance consist of gross profit, gross margin, operating earnings, earnings before income taxes, net earnings, diluted EPS, and the effective tax rate, each as adjusted. The non-GAAP financial measures included within this press release and the related earnings call that are utilized as measures of the company's liquidity consist of free cash flow and free cash flow conversion percentage.

The Toro Company uses these non-GAAP financial measures in making operating decisions and assessing liquidity because it believes these non-GAAP financial measures provide meaningful supplemental information regarding core operational performance and cash flows, as a measure of the company's liquidity, and provide the company with a better understanding of how to allocate resources to both ongoing and prospective business initiatives. Additionally, these non-GAAP financial measures facilitate the company's internal comparisons for both historical operating results and competitors' operating results by factoring out potential differences caused by charges and benefits not related to its regular, ongoing business, including, without limitation, certain non-cash, large, and/or unpredictable charges and benefits; acquisitions and dispositions; legal judgments, settlements, or other matters; and tax positions. The company believes that these non-GAAP financial measures, when considered in conjunction with the financial measures prepared in accordance with U.S. GAAP, provide investors with useful supplemental financial information to better understand its core operational performance and cash flows.

Reconciliations of historical non-GAAP financial measures to the most comparable U.S. GAAP financial measures are included in the financial tables contained in this press release. These non-GAAP financial measures, however, should not be considered superior to, as a substitute for, or as an alternative to, and should be considered in conjunction with, the U.S. GAAP financial measures included within this press release and the company's related earnings call. These non-GAAP financial measures may differ from similar measures used by other companies.

The Toro Company does not provide a quantitative reconciliation of the company's projected range for adjusted diluted EPS for fiscal 2026 to diluted EPS, which is the most directly comparable GAAP measure, in reliance on the unreasonable efforts exception provided under Item 10(e)(1)(i)(B) of Regulation S-K. The company's adjusted diluted EPS guidance for fiscal 2026 excludes certain items that are inherently uncertain and difficult to predict, including certain non-cash, large and/or unpredictable charges and benefits; acquisitions and

dispositions; legal judgments, settlements, or other matters; and tax positions. Due to the uncertainty of the amount or timing of these future excluded items, management does not forecast them for internal use and therefore cannot create a quantitative adjusted diluted EPS for fiscal 2026 to diluted EPS reconciliation without unreasonable efforts. A quantitative reconciliation of adjusted diluted EPS for fiscal 2026 to diluted EPS would imply a degree of precision and certainty as to these future items that does not exist and could be confusing to investors. From a qualitative perspective, it is anticipated that the differences between adjusted diluted EPS for fiscal 2026 to diluted EPS will consist of items similar to those described in the financial tables later in this release, including, for example and without limitation, certain non-cash, large, and/or unpredictable charges and benefits; acquisitions and dispositions; legal judgments, settlements, or other matters; and tax positions. The timing and amount of any of these excluded items could significantly impact the company's diluted EPS for a particular period.

Forward-Looking Statements

This news release contains forward-looking statements, which are being made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are based on management's current assumptions and expectations of future events, and often can be identified by words such as "expect," "strive," "looking ahead," "outlook," "guidance," "forecast," "goal," "optimistic," "encourage," "anticipate," "continue," "plan," "estimate," "project," "target," "improve," "believe," "become," "should," "could," "will," "would," "possible," "remain," "promise," "may," "likely," "intend," "can," "seek," "pursue," "potential," variations of such words or the negative thereof, and similar expressions or future dates. Forward-looking statements involve risks and uncertainties that could cause actual events and results to differ materially from those projected or implied. Forward-looking statements in this release include the company's fiscal 2026 financial guidance, expectations regarding demand trends, our recent strategic acquisition, and the success of new products, supply chain stabilization and AMP, and other statements made under the "Outlook" section of this release. Particular risks and uncertainties that may affect the company's operating results or financial position or cause actual events and results to differ materially from those projected or implied include: adverse worldwide economic conditions, including inflationary pressures and higher interest rates; the effect of abnormal weather patterns; customer, government and municipal revenue, budget spending levels and cash conservation efforts; loss of any substantial customer or strategic partnership; inventory adjustments or changes in purchasing patterns by customers; fluctuations in the cost and availability of commodities, components, parts, and accessories, including steel, engines, hydraulics, and resins; disruption at or in proximity to its facilities or in its manufacturing or other operations, or those in its distribution channel customers, mass retailers or home centers where its products are sold, or suppliers; risks associated with acquisitions and dispositions, including the company's recent acquisition of Tornado Infrastructure Equipment Ltd. and possible additional future impairment of goodwill or other intangible assets; impacts AMP and any future restructuring activities or productivity or cost savings initiatives; the effect of natural disasters, social unrest, war and global pandemics; the level of growth or contraction in its key markets; the company's ability to develop and achieve market acceptance for new products; increased competition; the risks attendant to international relations, operations and markets; foreign currency exchange rate fluctuations; financial viability of and/or relationships with the company's distribution channel partners; management of strategic partnerships, key customer relationships, alliances or joint ventures, including Red Iron Acceptance, LLC; impact of laws, regulations and standards, consumer product safety, accounting, taxation, trade, tariffs and/or antidumping and countervailing duties petitions, healthcare, and environmental, health and safety matters; unforeseen product quality problems; loss of or changes in executive management or key employees; the occurrence of litigation or claims, including those involving intellectual property or product liability matters; impact of increased scrutiny on its environmental, social, and governance practices; and other risks and uncertainties described in the company's most recent annual report on Form 10-K, subsequent quarterly reports on Form 10-Q and other filings with the Securities and Exchange Commission. The company makes no commitment to revise or update any forward-looking statements in order to reflect events or circumstances occurring or existing after the date any forward-looking statement is made.

(Financial tables follow)

THE TORO COMPANY AND SUBSIDIARIES
Condensed Consolidated Statements of Earnings (Unaudited)
(Dollars and shares in millions, except per-share data)

	Three Months Ended		Nine Months Ended	
	July 31, 2026	August 1, 2025	July 31, 2026	August 1, 2025
Net sales	\$ 1,225.8	\$ 1,131.3	\$ 3,686.8	\$ 3,444.2
Cost of sales	807.7	749.5	2,449.5	2,290.1
Gross profit	418.1	381.8	1,237.3	1,154.1
Gross margin	34.1 %	33.7 %	33.6 %	33.5 %
Selling, general and administrative expense	259.8	235.9	796.9	755.6
Non-cash impairment charge	43.1	81.1	43.1	81.1
Operating earnings	115.2	64.8	397.3	317.4
Interest expense	(13.8)	(15.1)	(42.8)	(45.9)
Other income, net	5.5	8.1	22.7	21.1
Earnings before income taxes	106.9	57.8	377.2	292.6
Income tax provision	29.9	4.3	86.9	49.5
Net earnings	\$ 77.0	\$ 53.5	\$ 290.3	\$ 243.1
Basic net earnings per share of common stock	\$ 0.81	\$ 0.54	\$ 3.01	\$ 2.43
Diluted net earnings per share of common stock	\$ 0.81	\$ 0.54	\$ 2.99	\$ 2.42
Weighted-average number of shares of common stock outstanding — Basic	95.2	98.8	96.6	100.0
Weighted-average number of shares of common stock outstanding — Diluted	95.6	99.0	97.0	100.3

Segment Data (Unaudited)
(Dollars in millions)

Segment net sales	Three Months Ended		Nine Months Ended	
	July 31, 2026	August 1, 2025	July 31, 2026	August 1, 2025
Professional	\$ 1,012.6	\$ 930.8	\$ 2,943.2	\$ 2,713.7
Residential	209.3	192.8	725.7	711.2
Other	3.9	7.7	17.9	19.3
Total net sales*	\$ 1,225.8	\$ 1,131.3	\$ 3,686.8	\$ 3,444.2
*Includes international net sales of:	\$ 231.9	\$ 199.2	\$ 698.2	\$ 666.2

Segment profit/(loss)	Three Months Ended		Nine Months Ended	
	July 31, 2026	August 1, 2025	July 31, 2026	August 1, 2025
Professional	\$ 211.8	\$ 198.5	\$ 573.8	\$ 527.8
Residential	12.4	3.7	55.9	37.0
Other ¹	(103.5)	(129.3)	(209.7)	(226.3)
Total segment profit/(loss) ¹	\$ 120.7	\$ 72.9	\$ 420.0	\$ 338.5

¹ Presentation of segment profit/(loss) for the third quarter of fiscal 2025 has been conformed to the current year presentation.

THE TORO COMPANY AND SUBSIDIARIES
Condensed Consolidated Balance Sheets (Unaudited)
(Dollars in millions)

	July 31, 2026	August 1, 2025	October 31, 2025
ASSETS			
Cash and cash equivalents	\$ 175.3	\$ 201.0	\$ 341.0
Receivables, net	496.1	472.7	378.2
Inventories, net	882.7	1,036.2	920.8
Prepaid expenses and other current assets	103.4	84.2	65.1
Total current assets	1,657.5	1,794.1	1,705.1
Property, plant, and equipment, net	588.8	629.1	615.8
Goodwill	576.5	450.8	450.9
Other intangible assets, net	439.5	398.6	390.3
Right-of-use assets	97.4	105.6	114.7
Investment in finance affiliate	39.7	41.3	41.0
Deferred income taxes	119.0	85.6	105.8
Other assets	17.6	14.7	15.2
Total assets	\$ 3,536.0	\$ 3,519.8	\$ 3,438.8
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current portion of long-term debt and short-term borrowings	\$ —	\$ 20.0	\$ —
Accounts payable	463.6	385.0	367.6
Accrued liabilities	568.2	534.3	525.5
Short-term lease liabilities	20.2	16.6	19.3
Total current liabilities	1,052.0	955.9	912.4
Long-term debt, less current portion	962.0	1,012.2	921.5
Long-term lease liabilities	95.8	92.8	100.3
Deferred income taxes	19.4	0.6	0.8
Other long-term liabilities	70.5	47.2	50.5
Stockholders' equity:			
Common stock ¹	0.9	97.9	97.9
Retained earnings	1,359.2	1,350.7	1,390.5
Accumulated other comprehensive loss	(23.8)	(37.5)	(35.1)
Total stockholders' equity	1,336.3	1,411.1	1,453.3
Total liabilities and stockholders' equity	\$ 3,536.0	\$ 3,519.8	\$ 3,438.8

¹ During the company's second quarter ended May 1, 2026 the company amended its certificate of incorporation to change the par value of its preferred and common stock from \$1.00 per share to \$0.01 per share. This change has been adopted prospectively and, therefore, the common stock balances as of August 1, 2025 and October 31, 2025 have not been adjusted and reflect the prior par value \$1.00 per share as of each such date.

THE TORO COMPANY AND SUBSIDIARIES
Condensed Consolidated Statements of Cash Flows (Unaudited)
(Dollars in millions)

	Nine Months Ended	
	July 31, 2026	August 1, 2025
Cash flows from operating activities:		
Net earnings	\$ 290.3	\$ 243.1
Adjustments to reconcile net earnings to net cash provided by (used in) operating activities:		
Non-cash income from finance affiliate	(11.8)	(14.6)
Distributions from finance affiliate, net	13.1	22.5
Depreciation of property, plant, and equipment	70.9	72.6
Amortization of other intangible assets	27.5	23.2
Stock-based compensation expense	18.2	15.3
Deferred income taxes ¹	(13.9)	(38.9)
Non-cash impairment charge	43.1	81.1
Other	(2.1)	2.5
Changes in operating assets and liabilities, net of the effect of acquisitions:		
Receivables, net	(111.4)	(11.9)
Inventories, net	77.2	(6.4)
Other assets ¹	(4.3)	7.9
Accounts payable	78.9	(69.9)
Other liabilities ¹	0.5	22.4
Net cash provided by operating activities	476.2	348.9
Cash flows from investing activities:		
Purchases of property, plant, and equipment	(51.1)	(57.0)
Proceeds from sales of property, plant, and equipment	13.2	0.8
Acquisitions, net of cash received	(210.3)	(4.2)
Divestitures	—	9.7
Net cash used in investing activities	(248.2)	(50.7)
Cash flows from financing activities:		
Borrowings under debt arrangements ¹	550.0	840.0
Repayments under debt arrangements ¹	(510.0)	(730.0)
Proceeds from exercise of stock options	39.5	1.8
Payments of withholding taxes for stock awards	(2.4)	(3.0)
Common stock repurchases	(358.1)	(290.0)
Dividends paid on common stock	(112.8)	(113.8)
Other	(2.7)	(3.1)
Net cash used in financing activities	(396.5)	(298.1)
Effect of exchange rates on cash and cash equivalents	2.8	1.4
Net increase (decrease) in cash and cash equivalents	(165.7)	1.5
Cash and cash equivalents as of the beginning of the fiscal period	341.0	199.5
Cash and cash equivalents as of the end of the fiscal period	\$ 175.3	\$ 201.0

Presentation of prior year deferred income taxes has been conformed to the current year presentation. There was no change to net cash used in operating activities.

THE TORO COMPANY AND SUBSIDIARIES
Reconciliation of Non-GAAP Financial Measures (Unaudited)
(Dollars in millions, except per-share data)

The following tables provide a reconciliation of the non-GAAP financial performance measures used in this press release and our related earnings call to the most directly comparable measures calculated and reported in accordance with U.S. GAAP for the three and nine month periods ended July 31, 2026 and August 1, 2025:

Adjusted Profit & Loss Statement

(Dollars in millions, except per share data)	Three Months Ended		Nine Months Ended	
	July 31, 2026	August 1, 2025	July 31, 2026	August 1, 2025
Gross profit	\$ 418.1	\$ 381.8	\$ 1,237.3	\$ 1,154.1
Acquisition-related costs ¹	(1.0)	—	3.1	—
Productivity initiative ²	12.5	7.2	27.9	14.7
Adjusted gross profit	\$ 429.6	\$ 389.0	\$ 1,268.3	\$ 1,168.8
Gross margin	34.1 %	33.7 %	33.6 %	33.5 %
Acquisition-related costs ¹	(0.2)%	— %	0.1 %	— %
Productivity initiative ²	1.1 %	0.7 %	0.8 %	0.4 %
Adjusted gross margin	35.0 %	34.4 %	34.4 %	33.9 %
Operating earnings	\$ 115.2	\$ 64.8	\$ 397.3	\$ 317.4
Acquisition-related costs ¹	(0.7)	—	5.0	—
Productivity initiative ²	56.2	8.1	75.9	29.9
Non-cash impairment charge ³	—	81.1	—	81.1
Adjusted operating earnings	\$ 170.7	\$ 154.0	\$ 478.2	\$ 428.4
Operating earnings margin	9.4 %	5.7 %	10.8 %	9.2 %
Acquisition-related costs ¹	(0.1)%	— %	0.1 %	— %
Productivity initiative ²	4.6 %	0.7 %	2.1 %	0.9 %
Non-cash impairment charge ³	— %	7.2 %	— %	2.3 %
Adjusted operating earnings margin	13.9 %	13.6 %	13.0 %	12.4 %
Earnings before income taxes	\$ 106.9	\$ 57.8	\$ 377.2	\$ 292.6
Acquisition-related costs ¹	(0.7)	—	5.0	—
Productivity initiative ²	57.1	9.2	72.0	31.4
Non-cash impairment charge ³	—	81.1	—	81.1
Adjusted earnings before income taxes	\$ 163.3	\$ 148.1	\$ 454.2	\$ 405.1
Income tax provision	\$ 29.9	\$ 4.3	\$ 86.9	\$ 49.5
Acquisition-related costs ¹	—	—	1.2	—
Productivity initiative ²	6.6	1.5	9.8	5.7
Non-cash impairment charge ³	—	19.7	—	19.7
Tax impact of share-based compensation ⁴	—	0.1	1.5	—
Adjusted income tax provision	\$ 36.5	\$ 25.6	\$ 99.4	\$ 74.9
Net earnings	\$ 77.0	\$ 53.5	\$ 290.3	\$ 243.1
Acquisition-related costs, net of tax ¹	(0.7)	—	3.8	—
Productivity initiative, net of tax ²	50.5	7.7	62.2	25.7
Non-cash impairment charge, net of tax ³	—	61.4	—	61.4
Tax impact of share-based compensation ⁴	—	(0.1)	(1.5)	—
Adjusted net earnings	\$ 126.8	\$ 122.5	\$ 354.8	\$ 330.2
Net earnings per diluted share	\$ 0.81	\$ 0.54	\$ 2.99	\$ 2.42
Acquisition-related costs, net of tax ¹	(0.01)	—	0.04	—
Productivity initiative, net of tax ²	0.53	0.08	0.65	0.26
Non-cash impairment charge, net of tax ³	—	0.62	—	0.61
Tax impact of share-based compensation ⁴	—	—	(0.02)	—
Adjusted net earnings per diluted share	\$ 1.33	\$ 1.24	\$ 3.66	\$ 3.29
Effective tax rate	28.0 %	7.4 %	23.0 %	16.9 %
Productivity initiative ²	(5.7)%	— %	(1.5)%	— %
Non-cash impairment charge ³	— %	9.7 %	— %	1.6 %
Tax impact of share-based compensation ⁴	0.1 %	0.2 %	0.4 %	— %
Adjusted effective tax rate	22.4 %	17.3 %	21.9 %	18.5 %

¹ On December 8, 2025, we completed the acquisition of Tornado Infrastructure Equipment. For additional information regarding this acquisition, refer to Note 2, *Acquisition*, within the Notes to Condensed Consolidated Financial Statements included within Part I, Item 1, "Financial Statements" of the related Quarterly Report on Form 10-Q. Acquisition-related costs for the three and nine month periods ended July 31, 2026 represent integration costs and amortization of the backlog intangible asset and inventory step-up resulting from purchase accounting adjustments.

² In the first quarter of fiscal 2024, we launched a significant productivity initiative named AMP, as discussed in more detail under the heading "Company Overview-AMP Initiative" of the related Quarterly Report on Form 10-Q. We considered the nature, frequency, and scale of this initiative compared to our prior productivity initiatives when determining that the expenses associated with AMP, unlike our prior productivity initiatives, are not common, normal, recurring operating expenses and are not representative of our ongoing business operations. Productivity initiative charges for the three and nine month periods ended July 31, 2026 and August 1, 2025 primarily represent facility exit-related costs and gains, product-line exit costs, severance and termination benefits, compensation for fully-dedicated AMP personnel, and third-party consulting costs.

³ At the end of the third quarter of fiscal 2026, we recorded non-cash impairment charges within Other activities related to manufacturing facility and product line exits as discussed in more detail under the heading "Company Overview-Manufacturing Facility and Product Line Exits" in the related Quarterly Report on Form 10-Q. At the end of the third quarter of fiscal 2025, we recorded a non-cash impairment charge within Other activities related to the Spartan trade name.

⁴ The accounting standards codification guidance governing employee stock-based compensation requires that any excess or deficient tax deduction for stock-based compensation be immediately recorded within income tax expense. Employee stock-based compensation activity, including the exercise of stock options, can be unpredictable and can significantly impact our net earnings, net earnings per diluted share, and effective tax rate. These amounts represent the discrete tax benefits recorded as excess tax deductions for stock-based compensation during the three and nine month periods ended July 31, 2026 and August 1, 2025.

Organic Sales Growth

Three Months Ended July 31, 2026

(Percentage change versus the prior year period)	Reported (GAAP) Net Sales Growth	Acquisitions & Divestitures	Foreign Exchange Impact ¹	Organic Sales Growth/ (Decrease) (Non-GAAP)
Professional	8.8 %	(2.5)%	(0.2)%	6.1 %
Residential	8.6 %	— %	(0.1)%	8.5 %
Other	(49.4)%	— %	— %	(49.4)%
Total	8.4 %	(2.1)%	(0.1)%	6.2 %

¹ The foreign exchange impact to sales growth measures the change in sales between current and prior year periods using constant exchange rates.

Nine Months Ended July 31, 2026

(Percentage change versus the prior year period)	Reported (GAAP) Net Sales Growth	Acquisitions & Divestitures	Foreign Exchange Impact ¹	Organic Sales Growth/ (Decrease) (Non-GAAP)
Professional	8.5 %	(2.4)%	(0.4)%	5.7 %
Residential	2.0 %	— %	(0.2)%	1.8 %
Other	(7.3)%	— %	— %	(7.3)%
Total	7.0 %	(1.9)%	(0.4)%	4.8 %

¹ The foreign exchange impact to sales growth measures the change in sales between current and prior year periods using constant exchange rates.

Three Months Ended August 1, 2025

(Percentage change versus the prior year period)	Reported (GAAP) Net Sales Growth	Acquisitions & Divestitures	Foreign Exchange Impact ¹	Organic Sales Growth/ (Decrease) (Non-GAAP)
Professional	3.6 %	1.2 %	(0.1)%	4.7 %
Residential	(28.0)%	0.8 %	— %	(27.2)%
Other	(187.5)%	— %	— %	(187.5)%
Total	(2.2)%	1.1 %	(0.1)%	(1.2)%

¹ The foreign exchange impact to sales growth measures the change in sales between current and prior year periods using constant exchange rates.

Nine Months Ended August 1, 2025

(Percentage change versus the prior year period)	Reported (GAAP) Net Sales Growth	Acquisitions & Divestitures	Foreign Exchange Impact ¹	Organic Sales Growth/ (Decrease) (Non-GAAP)
Professional	1.2 %	1.2 %	0.2 %	2.6 %
Residential	(15.7)%	1.7 %	0.1 %	(13.9)%
Other	(209.7)%	— %	— %	(209.7)%
Total	(1.8)%	1.3 %	0.2 %	(0.3)%

¹ The foreign exchange impact to sales growth measures the change in sales between current and prior year periods using constant exchange rates.

Reconciliation of Non-GAAP Liquidity Measures

The company defines free cash flow as net cash provided by operating activities less purchases of property, plant and equipment. Free cash flow conversion percentage represents free cash flow as a percentage of net earnings. The company considers free cash flow and free cash flow conversion percentage to be non-GAAP liquidity measures that provide useful information to management and investors about the company's ability to convert net earnings into cash resources that can be used to pursue opportunities to enhance shareholder value, fund ongoing and prospective business initiatives, and strengthen the company's Consolidated Balance Sheets, after reinvesting in necessary capital expenditures required to maintain and grow the company's business. The following table provides a reconciliation of non-GAAP free cash flow and free cash flow conversion percentage to net cash provided by operating activities, which is the most directly comparable financial measure calculated and reported in accordance with U.S. GAAP, for the nine month periods ended July 31, 2026 and August 1, 2025:

(Dollars in millions)	Nine Months Ended	
	July 31, 2026	August 1, 2025
Net cash provided by (used in) operating activities	\$ 476.2	\$ 348.9
Less: Purchases of property, plant and equipment	51.1	57.0
Free cash flow	425.1	291.9
Net earnings, excluding the non-cash impairment charges of \$43.1 million and \$81.1 million, respectively	\$ 333.4	\$ 324.2
Free cash flow conversion percentage ¹	127.5 %	90.0 %

¹ Presentation of prior year net earnings and free cash flow conversion percentage have been conformed to the current year presentation by excluding non-cash impairment charges.

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