

The Toro Company:

Built on Strong Relationships and Our Legacy of Excellence



OUR PURPOSE

To help our customers enrich the beauty, productivity and sustainability of the land.



OUR VISION

To be the most trusted leader in solutions for the outdoor environment. Every day. Everywhere.

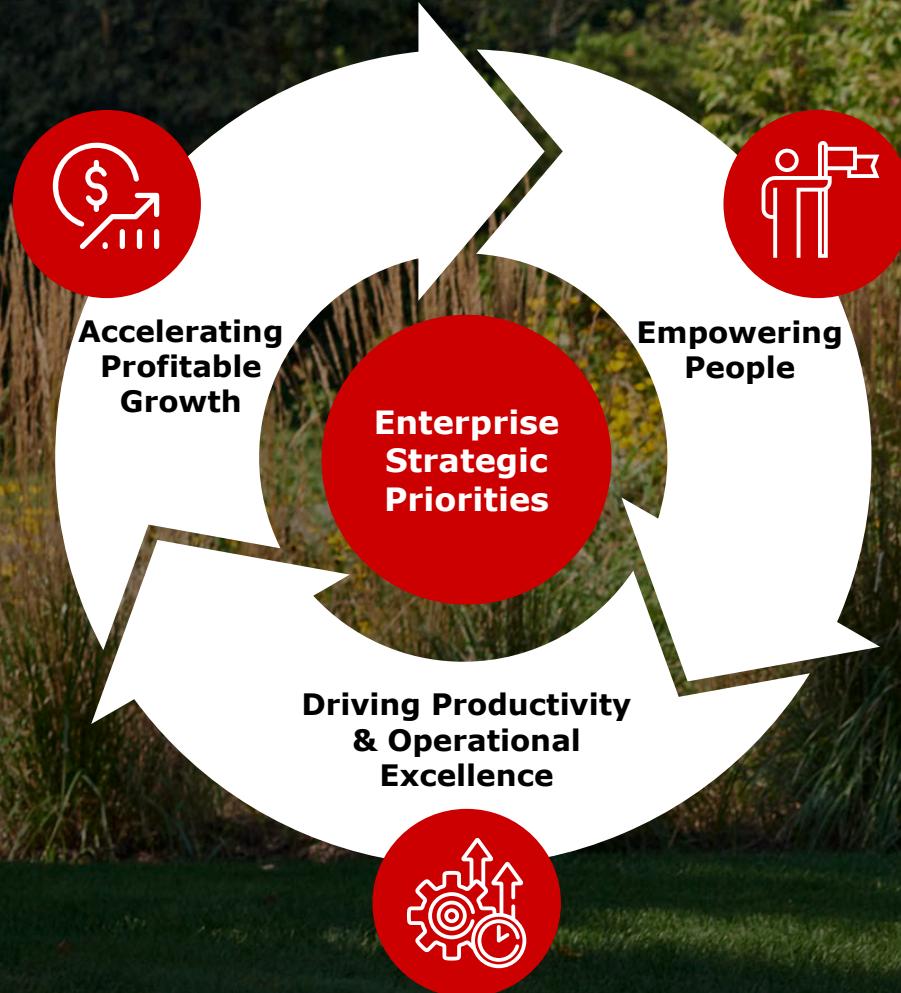


OUR MISSION

To deliver superior innovation and to deliver superior customer care.



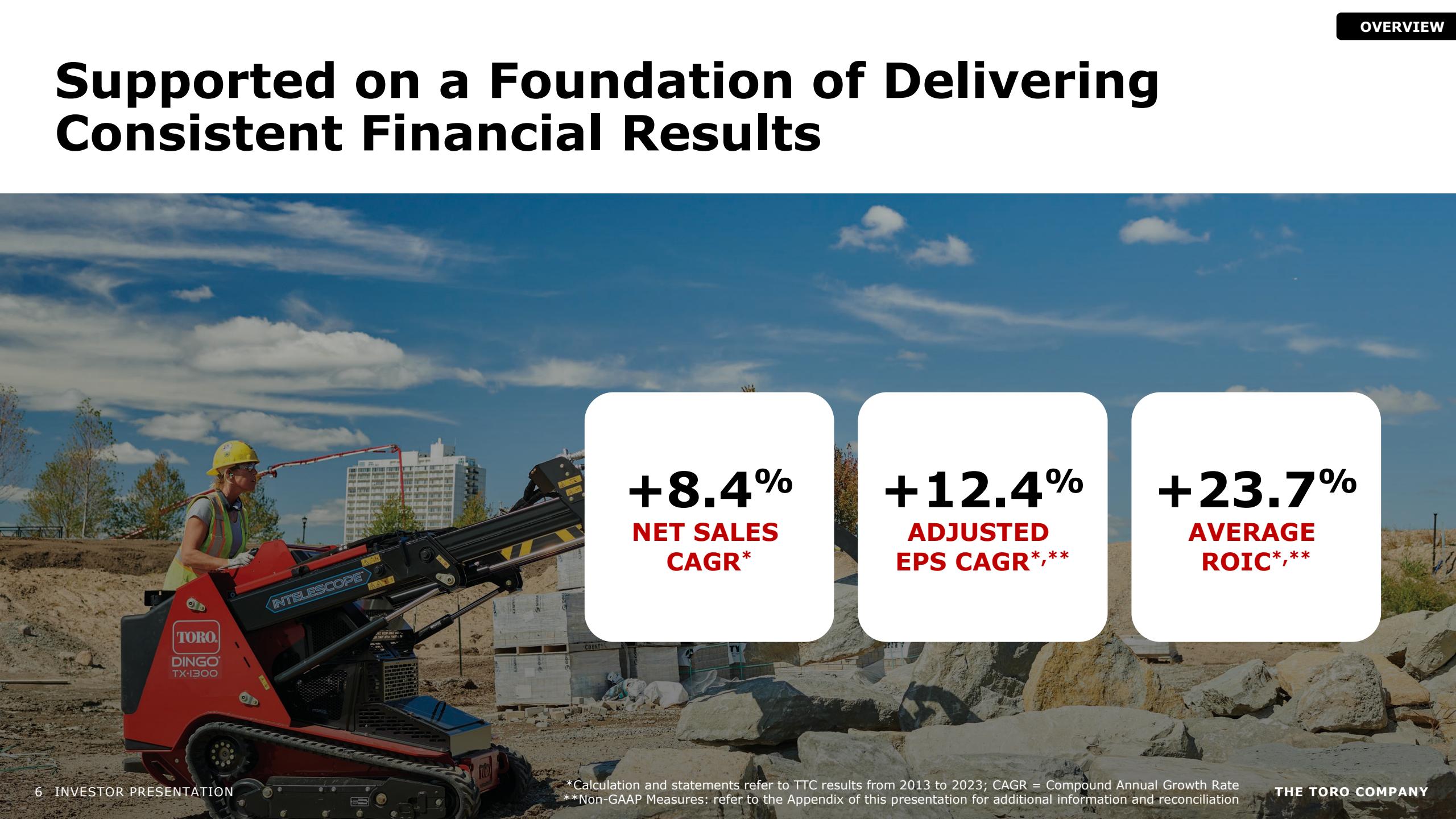
Building on Our Expertise to Drive Our Future



The Toro Company
is leveraging rich
heritage and **deep
expertise** to drive
the business forward



Supported on a Foundation of Delivering Consistent Financial Results

A woman wearing a yellow hard hat and safety vest is operating a red TORO DINGO TX-1300 telehandler at a construction site. She is using a long boom to move materials. In the background, there are large buildings under construction and a clear blue sky with scattered clouds.

+8.4%
NET SALES
CAGR*

+12.4%
ADJUSTED
EPS CAGR*,**

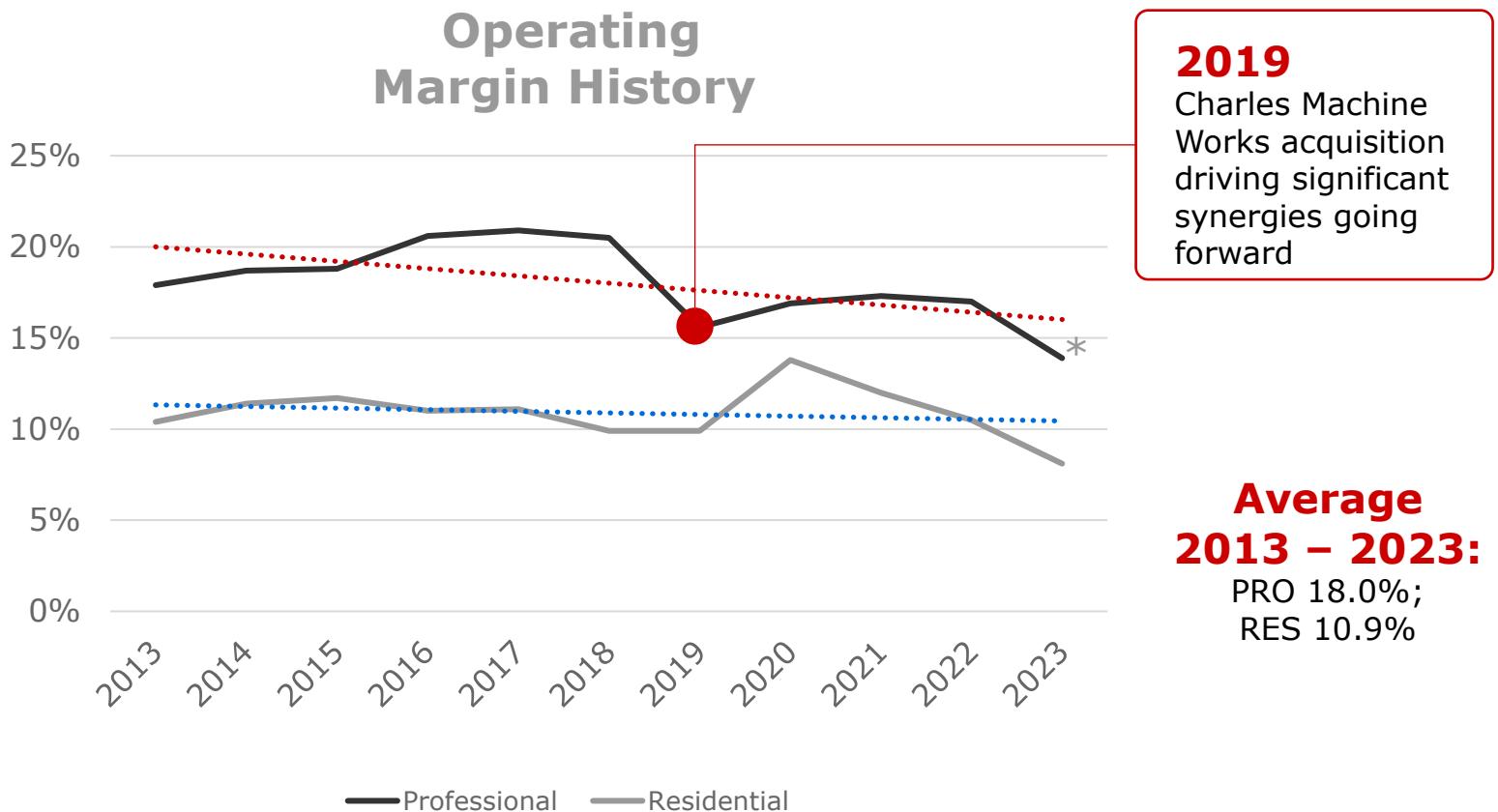
+23.7%
AVERAGE
ROIC*,**

*Calculation and statements refer to TTC results from 2013 to 2023; CAGR = Compound Annual Growth Rate

**Non-GAAP Measures: refer to the Appendix of this presentation for additional information and reconciliation



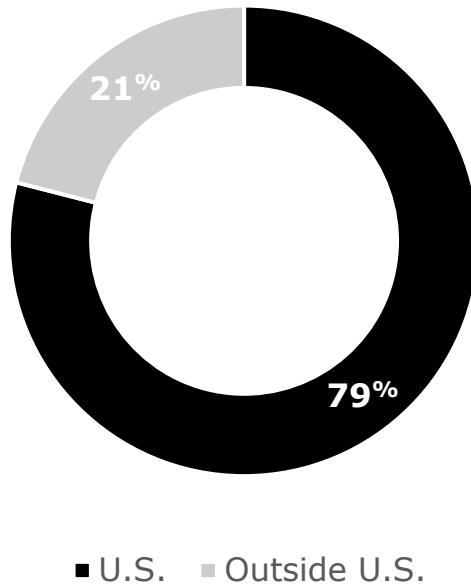
...with Attractive Operating Margins for Leveraged Growth Across the Portfolio



*Inclusive of gross non-cash impairment charges of \$151.3M

Our Professional Segment at a Glance

2023 Geographic Net Sales Profile



2013

70%
OF TOTAL COMPANY NET SALES

\$1.45B
NET SALES

17.7%
OPERATING MARGIN

2023

81%
OF TOTAL COMPANY NET SALES

\$3.67B
NET SALES

13.9% *
OPERATING MARGIN

Strong Today, Building for Tomorrow

*Inclusive of gross non-cash impairment charges of \$151.3M

THE TORO COMPANY

Operating From a Position of Strength



Strong Market Position

Addressing a variety of attractive end markets with steady replacement cycles

#1 or #2
market share in many
of the markets we serve



Delivering Results

Driving considerable revenues within the total company portfolio, at higher margins

PRO net sales
CAGR of 13.5%
over last 5 years



Significant Runway for Future Growth

Innovation combined with best-in-class distribution/service networks creates high barriers to entry

We have **expanded our portfolio and reach** in fast growing end markets

Steady Cadence of New Product Introductions Drive Long-Term Growth



Toro Vista® people mover vehicle line, a new product category for the company



Toro Groundsmaster® e3200 battery-powered out front rotary mower, leverages HyperCell™



Ditch Witch AT120,
world's largest all-terrain
horizontal directional drill



Ventrac SP720 72" box plow attachment, for efficient, high-capacity snow removal

Leveraging technology and innovation to help customers increase productivity, address labor challenges and achieve sustainability goals



Infrastructure Investment is Increasing Globally

Well positioned to benefit from government and private infrastructure spending globally

Specialization in underground equipment provides significant multi-year opportunity

TTC has the most comprehensive underground and specialty construction equipment and brand line up in the industry

Key Gov't Investment Areas



Transportation Infrastructure



Broadband Buildout



Electric Grid Update



Improved Water Quality



Climate Change Protection

Government spending priorities are driving additional demand in what was already an attractive end market

Underpinned by Expansive Channels, Innovation Leverage & Strong Brands



Strong Go-To-Market Position

Diversified global distribution & service channel creates significant customer reach

Leveraging mass retailer partnerships with over **8,000*** locations and built-in omnichannel solutions, plus a network of **4,000+** independent dealers globally



Delivering Results

Well-positioned to capitalize as this market rebalances

Residential net sales
CAGR of 5.5%
over last 5 years



Path to Future Growth

A power brand across all product categories

Full line-up of Toro-branded all-season outdoor power equipment will be available at **Lowe's** nationwide beginning in Spring 2024



Sustainability is Deeply Rooted in Our Company Purpose, Actions and Strategic Business Priorities



Sustainability Performance Goals:

Increase **battery and hybrid product sales** to at least 20% of total adjusted* net sales (motorized product sales) by fiscal 2025

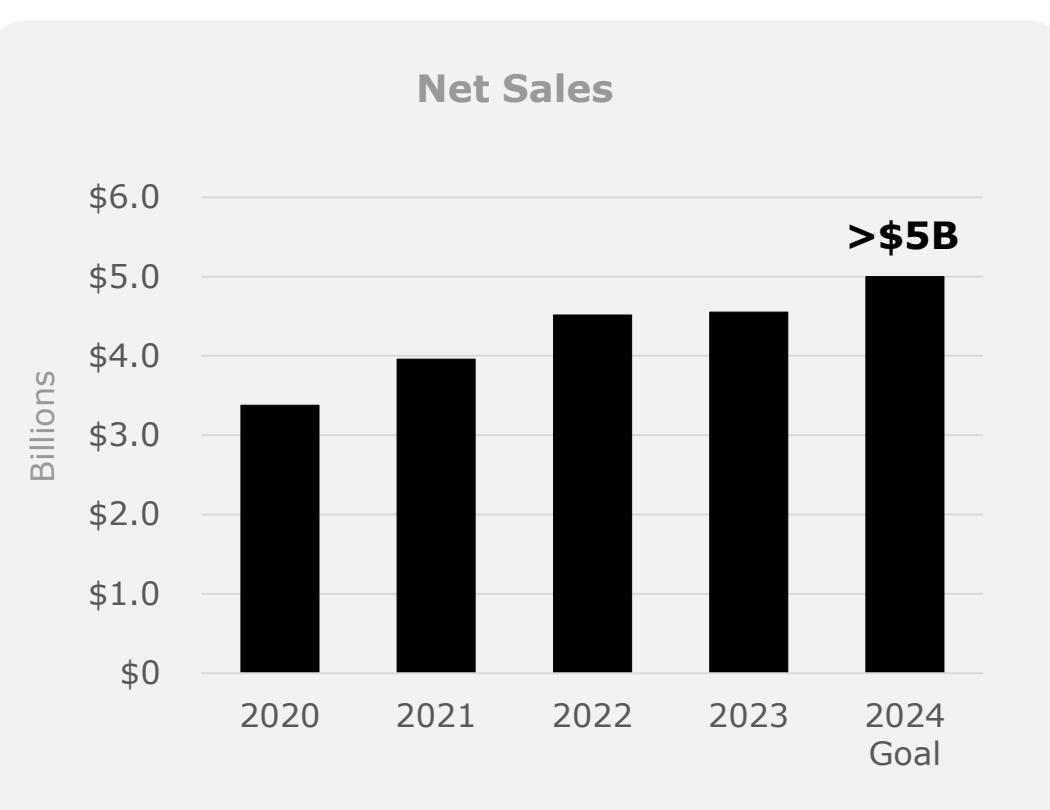
Reduce absolute **Scope 1 and 2 greenhouse gas emissions** by at least 15% by fiscal 2025 as compared to fiscal 2019

Increase the number of **women and racial and ethnic minorities** in leadership positions by at least 20% by fiscal 2025 as compared to fiscal 2021

Aligned with six specific United Nations Sustainable Development Goals where we are best positioned to make the most significant and meaningful contribution

"Drive for Five" Initiative: 2022-2024

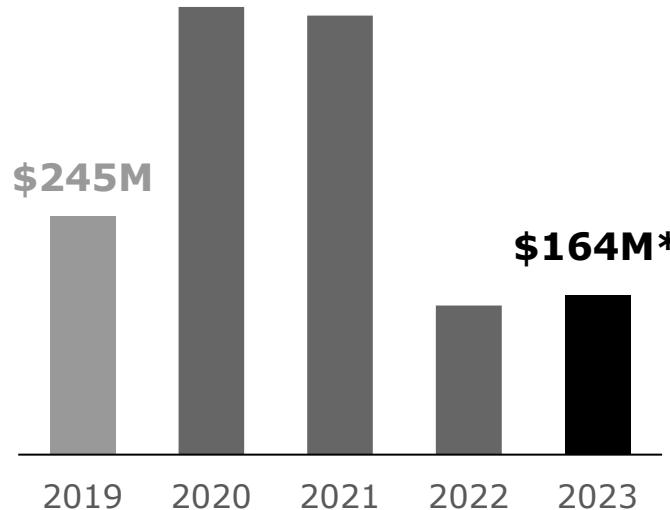
Employee initiatives drive profitable growth across the enterprise



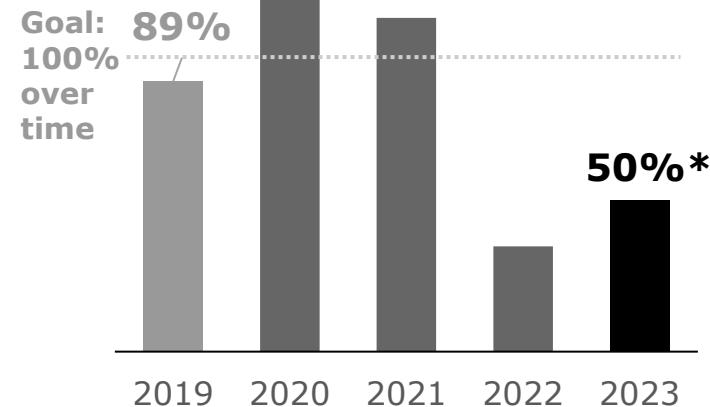
Employee rewards aligned with stretch goals create engagement at all levels

Strong Balance Sheet and Resilient Free Cash Flow

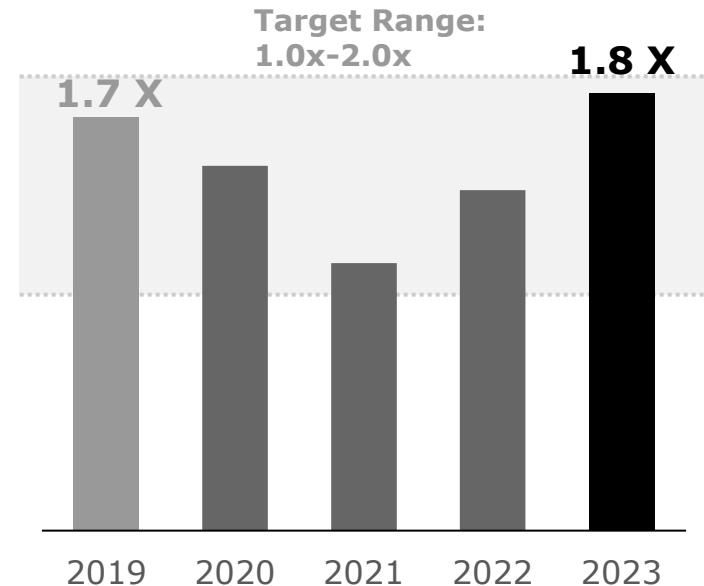
Free Cash Flow**



Free Cash Flow Conversion**



Gross Debt to EBITDA Ratio



Provides solid foundation for capital deployment priorities

*2023 free cash flow results reflect unfavorable working capital fluctuations as production and costs are adjusted to demand in the current environment;

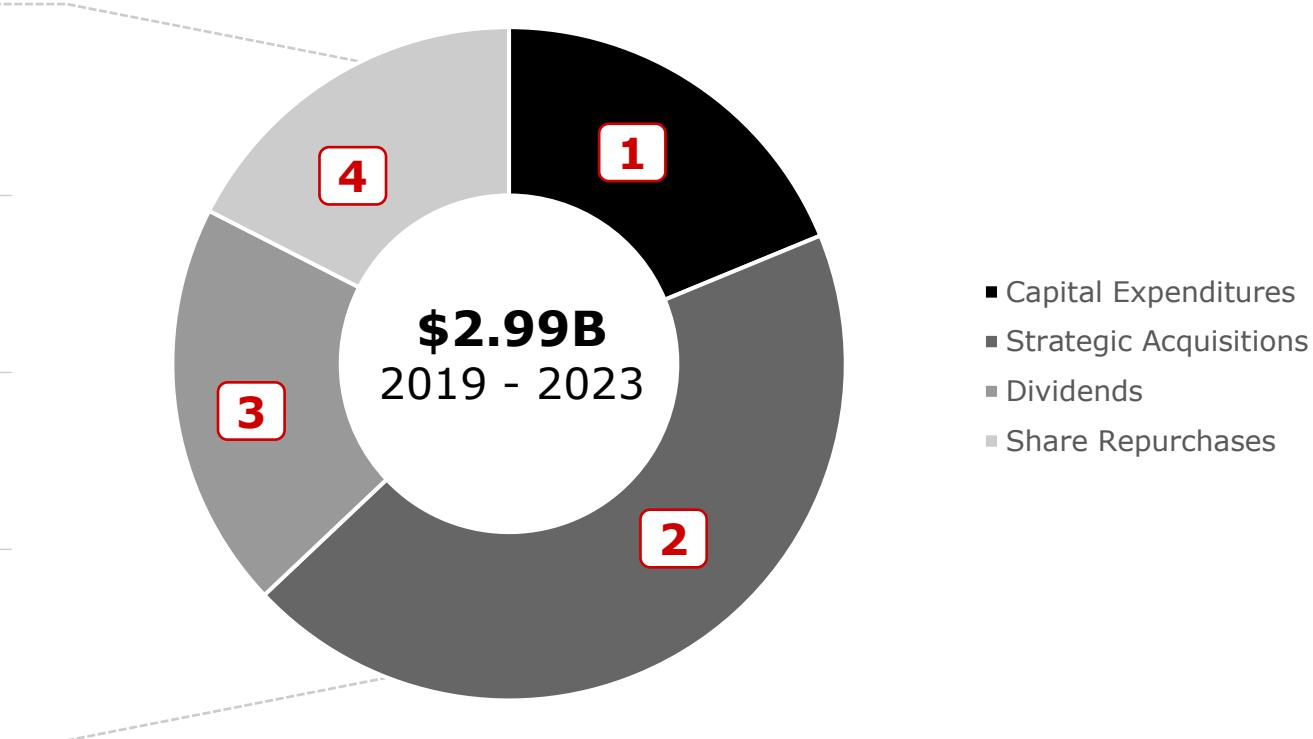
2024 free cash flow conversion expected to normalize back to ~100%

**Non-GAAP Measures: refer to the Appendix of this presentation for additional information and reconciliation

Capital Allocation Strategy

Prioritized allocation of cash from operating activities

- 1** Capital expenditures - supporting organic growth with high returns
- 2** Strategic acquisitions - disciplined process and proven track record
- 3** Regular dividends - increases commensurate with earnings growth*
- 4** Share repurchases - goal to at least offset dilution over time



Balanced approach to capital allocation has resulted in strategic investments driving significant growth and the return of more than \$1B to shareholders over the last 5 years

Acquisitions Have Played a Key Role in Our Profitable Growth Strategy and Remain a Focus

Date of Acquisition	Investment Rationale	Annual Revenue Pre-Acquisition (in USD)
CHARLES MACHINE WORKS THE UNDERGROUND AUTHORITY 2019	<ul style="list-style-type: none"> Strengthen professional segment Significant synergy opportunities Exclusive and comprehensive distribution network Strong brands Attractive niche end market with high barriers to entry 	\$725M
VENTURE PRODUCTS INC. 2020	<ul style="list-style-type: none"> Strengthen professional segment Leverage distribution networks Strong brand Expanded product offering to customers in the turf, landscape, and snow and ice maintenance categories 	\$100M
TURF LYNX [®] field keeping automation LEFT HAND ROBOTICS. 2021	<ul style="list-style-type: none"> Autonomous technology accelerators across entire portfolio Talented teams 	N/A
INTIMIDATOR GROUP 2022	<ul style="list-style-type: none"> Strengthen professional segment Complementary Spartan brand in attractive zero-turn mower market Procurement and design synergies within portfolio 	\$200M

Key Takeaways

1 Portfolio strength with leadership in attractive end-markets

2 Brand heritage delivering excellence and brand recognition creating trust

3 Innovation and technology synergies leveraged across product categories

4 Deep long-term customer and channel relationships

5 Disciplined execution

6 Strong balance sheet





Investment Thesis

1

Well positioned to win with deep expertise, leading market share positions, and best-in-class distribution and service networks – all of which create high barriers to entry

2

Attractive end markets, regular replacement cycles and customer-centric innovation drive future organic growth

3

Building on a foundation of demonstrated consistent financial performance and cash flow generation

4

Financial capacity for strategic investments and disciplined approach to capital allocation delivers value to all stakeholders



THE TORO
COMPANY

APPENDIX



Our Portfolio of Brands



Non-GAAP Financial Measures

- This presentation contains 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 presentation, as applicable, consist of gross profit, gross margin, operating earnings, earnings before income taxes, net earnings, net earnings per diluted share and the effective tax rate, each as adjusted, as well as free cash flow, free cash flow conversion percentage, return on average invested capital and EBITDA.
- Management believes that the presentation of these non-GAAP measures provides useful information to investors and that these measures may assist investors in evaluating our core operational performance and cash flows, as a measure of our liquidity.
- This Appendix includes a reconciliation of the historical non-GAAP financial measures used in the presentation to the most directly historical comparable GAAP financial measures.
- Reconciliations of forward-looking non-GAAP guidance to projected U.S. GAAP guidance is not provided because it would require an unreasonable effort to do so.
- Non-GAAP financial measures have limitations as analytical tools, and should not be considered in isolation, or as a substitute for, our financial measures prepared in accordance with U.S. GAAP.
- Investors should note that any non-GAAP financial measure we use may not be the same non-GAAP financial measure, and may not be calculated in the same manner, as that of other companies.

Adjusted EPS

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
EPS, diluted - GAAP	\$1.31	\$1.51	\$1.78	\$2.06	\$2.41	\$2.50	\$2.53	\$3.03	\$3.78	\$4.20	\$3.13
Acquisition-related costs	-	-	-	-	-	-	\$0.47	\$0.05	-	\$0.03	-
Management actions	-	-	-	-	-	-	\$0.13	\$0.01	-	-	\$0.04
Tax impact of stock-based compensation	-	-	-	-	(\$0.18)	(\$0.13)	(\$0.12)	(\$0.07)	(\$0.08)	(\$0.03)	(\$0.05)
Other*	-	-	-	-	-	\$0.30	(\$0.01)	-	(\$0.08)	-	\$1.09
EPS, diluted - Adjusted	\$1.31	\$1.51	\$1.78	\$2.06	\$2.23	\$2.67	\$3.00	\$3.02	\$3.62	\$4.20	\$4.21