



# Edgar Filing: TORO CO - Form 10-Q/A

## EXPLANATORY NOTE

The Toro Company is filing this Amendment to its quarterly report on Form 10-Q for the quarter ended January 31, 2003, as filed with the Securities and Exchange Commission on March 13, 2003, in order to correct the omission of the audited balance sheet information as of end of the fiscal year ended October 31, 2002 contained in the Condensed Consolidated Balance Sheets and Notes to Condensed Consolidated Financial Statements included in Part I, Item 1, Financial Statements. The company is also updating Part II, Item 6, Exhibits and Reports on Form 8-K. No other item or part of the company's quarterly report on Form 10-Q for the quarter ended January 31, 2003 as previously filed is affected by this amendment.

In connection with the filing of this Amendment and pursuant to Rule 12b-15 of the Securities Exchange Act of 1934, as amended, the complete text of Item 1 of Part I and Item 6 of Part II, as amended, is set forth herein. In addition, in connection with the filing of this Amendment and pursuant to Rule 12b-15, the company is including certain currently dated certifications. The remainder of the company's quarterly report on Form 10-Q is unchanged and is not reproduced in this Amendment. This report speaks as of the original filing date of the quarterly report on Form 10-Q and, except as indicated, has not been updated to reflect events and transactions occurring subsequent to the original filing date.

## THE TORO COMPANY INDEX TO FORM 10-Q/A

PART I.	FINANCIAL INFORMATION:
ITEM 1.	Financial Statements
	Condensed Consolidated Statements of Operations (Unaudited) - Three Months Ended January 31, 2003 and February 1, 2002.....
	Condensed Consolidated Balance Sheets (Unaudited) - January 31, 2003, February 1, 2002, and October 31, 2002.....
	Condensed Consolidated Statements of Cash Flows (Unaudited) - Three Months Ended January 31, 2003 and February 1, 2002.....
	Notes to Condensed Consolidated Financial Statements (Unaudited).....
PART II.	OTHER INFORMATION:
ITEM 6.	Exhibits and Reports on Form 8-K.....
	Signatures and Certifications.....

Edgar Filing: TORO CO - Form 10-Q/A

PART I. ITEM 1. FINANCIAL INFORMATION

THE TORO COMPANY AND SUBSIDIARIES  
 CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)  
 (DOLLARS AND SHARES IN THOUSANDS, EXCEPT PER-SHARE DATA)

	January 31 2003
Net sales.....	\$ 29
Cost of sales.....	19
Gross profit.....	10
Selling, general, and administrative expense.....	9
Restructuring and other expense.....	
Earnings (loss) from operations.....	
Interest expense.....	(
Other income, net.....	
Earnings (loss) before income taxes and cumulative effect of change in accounting principle.....	1
(Provision) benefit for income taxes.....	(
Net earnings (loss) before cumulative effect of change in accounting principle.....	
Cumulative effect of change in accounting principle, net of income tax benefit of \$509.....	
Net earnings (loss).....	\$
Basic net earnings (loss) per share of common stock, before cumulative effect of change in accounting principle.....	\$
Cumulative effect of change in accounting principle, net of income tax benefit.....	
Basic net earnings (loss) per share of common stock.....	\$
Diluted net earnings (loss) per share of common stock, before cumulative effect of change in accounting principle.....	\$
Cumulative effect of change in accounting principle, net of income tax benefit.....	
Diluted net earnings (loss) per share of common stock.....	\$
Weighted average number of shares of common stock outstanding - Basic.....	1

## Edgar Filing: TORO CO - Form 10-Q/A

Weighted average number of shares of common stock outstanding -  
 Dilutive..... 1

See accompanying notes to condensed consolidated financial statements.

3

THE TORO COMPANY AND SUBSIDIARIES  
 CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)  
 (DOLLARS IN THOUSANDS, EXCEPT PER-SHARE DATA)

	January 31, 2003	Fe
	-----	-----
<b>ASSETS</b>		
Cash and cash equivalents .....	\$ 87	\$
Receivables, net .....	311,892	
Inventories, net .....	267,376	
Prepaid expenses and other current assets .....	11,689	
Deferred income taxes .....	39,474	
	-----	
Total current assets .....	630,518	
	-----	
Property, plant, and equipment .....	449,040	
Less accumulated depreciation .....	289,566	
	-----	
	159,474	
	-----	
Deferred income taxes .....	4,196	
Other assets .....	14,253	
Goodwill .....	77,891	
Other intangible assets .....	1,769	
	-----	
Total assets .....	\$ 888,101	\$
	=====	=====
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current portion of long-term debt .....	\$ 15,846	\$
Short-term debt .....	25,024	
Accounts payable .....	90,397	
Accrued liabilities .....	194,917	
	-----	
Total current liabilities .....	326,184	
	-----	
Long-term debt, less current portion .....	178,724	
Other long-term liabilities .....	8,259	
Stockholders' equity:		

**Edgar Filing: TORO CO - Form 10-Q/A**

Preferred stock, par value \$1.00 per share, authorized 1,000,000 voting and 850,000 non-voting shares, none issued and outstanding .....	-	
Common stock par value \$1.00 per share, authorized 35,000,000 shares, issued and outstanding 12,218,531 shares as of January 31, 2003 (net of 1,289,524 treasury shares), 12,278,570 shares as of February 1, 2002 (net of 1,229,485 treasury shares), and 12,171,237 shares as of October 31, 2002 (net of 1,336,818 treasury shares) .....	12,219	
Additional paid-in capital .....	28,083	
Retained earnings .....	347,845	
Accumulated comprehensive loss .....	(13,213)	
	-----	
Total stockholders' equity .....	374,934	
	-----	
Total liabilities and stockholders' equity .....	\$ 888,101	\$
	=====	=

See accompanying notes to condensed consolidated financial statements.

4

THE TORO COMPANY AND SUBSIDIARIES  
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)  
(DOLLARS IN THOUSANDS)

	January 31
	2003
	-----
Cash flows from operating activities:	
Net earnings (loss).....	\$ 6
Adjustments to reconcile net earnings (loss) to net cash used in operating activities:	
Cumulative effect of change in accounting principle.....	
Non-cash asset impairment write-off.....	
Provision for depreciation and amortization.....	7
Gain on disposal of property, plant, and equipment.....	
Increase in deferred income taxes.....	
Changes in operating assets and liabilities:	
Receivables, net.....	(52)
Inventories, net.....	(48)
Prepaid expenses and other current assets.....	(1)
Accounts payable and accrued liabilities.....	13
	-----
Net cash used in operating activities.....	(75)
	-----
Cash flows from investing activities:	
Purchases of property, plant, and equipment.....	(11)
Proceeds from asset disposals.....	
Decrease in investment in affiliates.....	1
Increase in other assets.....	(2)
Proceeds from sale of business.....	1
	-----

Edgar Filing: TORO CO - Form 10-Q/A

Net cash used in investing activities.....	(11)
-----	
Cash flows from financing activities:	
Increase in short-term debt.....	23
Repayments of long-term debt.....	
Decrease in other long-term liabilities.....	
Proceeds from exercise of stock options.....	1
Purchases of common stock.....	
Dividends on common stock.....	(1)
-----	
Net cash provided by financing activities.....	23
-----	
Foreign currency translation adjustment.....	
-----	
Net decrease in cash and cash equivalents.....	(62)
Cash and cash equivalents as of the beginning of the period.....	62
-----	
Cash and cash equivalents as of the end of the period.....	\$
=====	

See accompanying notes to condensed consolidated financial statements.

THE TORO COMPANY AND SUBSIDIARIES  
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)  
JANUARY 31, 2003

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with the instructions to Form 10-Q and do not include all the information and notes required by accounting principles generally accepted in the United States of America for complete financial statements. Unless the context indicates otherwise, the terms "company" and "Toro" refer to The Toro Company and its subsidiaries. In the opinion of management, the unaudited condensed consolidated financial statements include all adjustments, consisting primarily of recurring accruals, considered necessary for a fair presentation of the financial position and the results of operations. Since the company's business is seasonal, operating results for the three months ended January 31, 2003 cannot be annualized to determine the expected results for the fiscal year ending October 31, 2003. Certain amounts from prior period's financial statements have been reclassified to conform to this period's presentation.

The company's fiscal year ends on October 31, and quarterly results are reported based on three month periods that generally end on the Friday closest to the quarter end. For comparative purposes, however; the company's second and third quarters always include exactly 13 weeks of results so that the quarter end date for these two quarters is not necessarily the Friday closest to the quarter end.

For further information, refer to the consolidated financial statements and notes included in the company's Annual Report on Form 10-K for the fiscal year ended October 31, 2002. The policies described in that report are used for preparing quarterly reports.

## Edgar Filing: TORO CO - Form 10-Q/A

### Accounting Policies

In preparing the consolidated financial statements in conformity with accounting principles generally accepted in the United States of America, management must make decisions which impact the reported amounts and the related disclosures. Such decisions include the selection of the appropriate accounting principles to be applied and the assumptions on which to base accounting estimates. In reaching such decisions, management applies judgments based on its understanding and analysis of the relevant circumstances, historical experience, and actuarial valuations. Actual amounts could differ from those estimated at the time the consolidated financial statements are prepared. Note 1 to the consolidated financial statements in the company's Annual Report on Form 10-K provides a summary of the significant accounting policies followed in the preparation of the financial statements. Other footnotes in the company's Annual Report on Form 10-K describe various elements of the financial statements and the assumptions made in determining specific amounts.

### Inventories

Inventories are valued at the lower of cost or net realizable value, with cost determined by the last-in, first-out (LIFO) method for most inventories.

Inventories were as follows:

(Dollars in thousands)	January 31, 2003	February 1, 2002
	-----	-----
Raw materials and work in process.....	\$ 74,834	\$ 69,335
Finished goods and service parts.....	233,973	250,678
	-----	-----
	308,807	320,013
Less: LIFO.....	26,903	29,264
Other reserves.....	14,528	16,225
	-----	-----
Total.....	\$ 267,376	\$ 274,524
	=====	=====

6

### Restructuring and Other Expense

In fiscal 2002, the company announced plans to close its Riverside, California manufacturing operations and its Evansville, Indiana and Madera, California manufacturing facilities. Approximately 550 job positions and related staff reductions will be lost in connection with closing these operations. As of January 31, 2003, of the 550 job position reductions, 441 have been eliminated. In addition, the company will incur ongoing costs after the facilities are closed and until they are sold, which is captioned in "other" below. These actions are part of Toro's overall long-term strategy to reduce production costs and improve long-term competitiveness. The company also incurred a charge for asset impairment related to write-downs of patents and non-compete agreements during the first quarter of fiscal 2002.

The following is an analysis of the company's restructuring and other expense reserve accounts:

Edgar Filing: TORO CO - Form 10-Q/A

(Dollars in thousands)	Severance & Benefits	Other
	-----	-----
Balance as of October 31, 2002.....	\$ 1,865	\$ 872
Utilization.....	1,331	25
	-----	-----
Balance as of January 31, 2003.....	\$ 534	\$ 847
	=====	=====

The company expects a majority of the remaining accruals to be utilized during fiscal 2003.

Comprehensive Income (Loss)

Comprehensive income (loss) and the components of other comprehensive income (loss) for the three months ended were as follows:

(Dollars in thousands)	Three Months Ended	
	January 31, 2003	February 1, 2002
	-----	-----
Net earnings (loss).....	\$ 6,981	\$ (29,735)
Other comprehensive income (loss):		
Cumulative translation adjustments.....	592	(26)
Unrealized loss on derivative instruments.....	(1,202)	(252)
	-----	-----
Comprehensive income (loss).....	\$ 6,371	\$ (30,013)
	=====	=====

Per Share Data

Reconciliations of basic and dilutive weighted average shares of common stock outstanding are as follows:

(Shares in thousands)	January 31, 2003	February 1, 2002
	-----	-----
Basic		
Weighted average number of shares of common stock outstanding.....	12,440	12,470
Assumed issuance of contingent shares .....	21	30
	-----	-----
Weighted average number of shares of common stock and assumed issuance of contingent shares.....	12,461	12,500
	=====	=====
Dilutive		
Weighted average number of shares of common stock and assumed issuance of contingent shares.....	12,461	12,500
Assumed conversion of stock options.....	461	-
	-----	-----
Weighted average number of shares of common stock,		



## Edgar Filing: TORO CO - Form 10-Q/A

assumed issuance of contingent shares, and		
assumed conversion of stock options.....	12,922	12,500
	=====	=====

7

### Segment Data

The presentation of segment information reflects the manner in which management organizes segments for making operating decisions and assessing performance. On this basis, the company has determined it has three reportable business segments: Professional, Residential, and Distribution. The other segment consists of corporate activities, including corporate financing activities and elimination of intersegment revenues and expenses.

The following table shows the summarized financial information concerning the company's reportable segments:

(Dollars in thousands)			
Three months ended January 31, 2003	Professional(1)	Residential	Distribution
-----	-----	-----	-----
Net sales .....	\$ 193,444	\$ 94,665	\$ 18,600
Intersegment gross sales .....	12,044	843	-
Earnings (loss) before income taxes .	27,756	8,661	(3,358)
Total assets .....	449,869	193,068	36,158
Three months ended February 1, 2002			
-----			
Net sales .....	\$ 175,765	\$ 92,216	\$ 24,229
Intersegment gross sales .....	15,667	1,250	-
Earnings (loss) before income taxes and accounting change .....	9,080	7,706	(2,087)
Total assets .....	448,704	170,099	53,978

(1) Includes restructuring and other expense of \$10.0 million in fiscal 2002.

The following table presents the details of the other segment earnings (loss) before income taxes:

(Dollars in thousands)	Three Months Ended	
	January 31, 2003	February 1, 2002
	-----	-----
Corporate expenses.....	\$ (23,757)	\$ (21,249)
Finance charge revenue.....	848	1,068
Elimination of corporate financing expense.....	2,332	2,615
Interest expense, net.....	(4,092)	(5,320)
Other income.....	2,030	543
	-----	-----
Total.....	\$ (22,639)	\$ (22,343)
	=====	=====

## Edgar Filing: TORO CO - Form 10-Q/A

### Goodwill

The changes in the net carrying amount of goodwill for the first quarter of fiscal 2003 were as follows:

(Dollars in thousands)	Professional Segment -----	Residential Segment -----
Balance as of October 31, 2002.....	\$ 68,942	\$ 8,913
Translation adjustment.....	10	26
	-----	-----
Balance as of January 31, 2003.....	\$ 68,952 =====	\$ 8,939 =====

8

### Other Intangible Assets

The components of other amortizable intangible assets were as follows:

(Dollars in thousands)	January 31, 2003 -----		Gross
	Gross Carrying Amount -----	Accumulated Amortization -----	A -----
Patents.....	\$ 6,104	\$ (4,688)	\$
Non-compete agreements.....	800	(447)	
Other.....	800	(800)	
	-----	-----	-----
Total.....	\$ 7,704 =====	\$ (5,935) =====	\$ =
Total other intangible assets, net.....	\$ 1,769 =====		\$ =

Amortization expense for intangible assets during the first quarter of fiscal 2003 was \$136,000. Estimated amortization expense for the remainder of fiscal 2003 and succeeding fiscal years is as follows: 2003 (remainder), \$343,000; 2004, \$357,000; 2005, \$337,000; 2006, \$337,000; 2007, \$182,000; 2008, \$131,000 and after 2008, \$82,000.

### Warranty Guarantees

The company's products are warranted to the end-user to ensure end-user confidence in design, workmanship, and overall quality. Warranty lengths vary by product line, ranging from a period of six months to seven years, and cover parts, labor, and other expenses for non-maintenance repairs, provided operator abuse, improper use, or negligence did not necessitate the repair. An authorized distributor or dealer must perform warranty work and submit claims for warranty reimbursement, which the company pays as long as the repairs meet prescribed

## Edgar Filing: TORO CO - Form 10-Q/A

standards. Warranty expense is accrued at the time of sale based on historical claims experience by individual product lines. Special warranty reserves are also accrued for special rework campaigns for known major product modifications. The company also offers additional warranty coverage on select products when the factory warranty period expires.

Warranty provisions, claims, and changes in estimates for the three-month periods ended were as follows:

(Dollars in Thousands) Three Months Ended	Beginning Balance	Warranty Provisions	Warranty Claims	Chang Estim
January 31, 2003	\$53,590	\$7,784	\$ (9,243)	\$8
February 1, 2002	\$57,882	\$7,097	\$ (11,173)	\$2

9

### Derivative Instruments and Hedging Activities

The company uses derivative instruments to assist in the management of exposure to currency exchange rates. Toro uses derivatives only in an attempt to limit underlying exposure to currency fluctuations, and not for trading purposes. The company documents all relations between hedging instruments and the hedged items, as well as its risk-management objective and strategy for undertaking various hedge transactions. The company assesses, both at the hedge's inception and on an ongoing basis, whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in cash flows of the hedged item.

The company enters into foreign currency exchange contracts to hedge the risk from forecasted settlement in local currencies of trade sales and purchases. These contracts are designated as cash flow hedges with the fair value recorded in accumulated comprehensive income (loss) and as a hedge asset or liability in prepaid expenses or accrued liabilities, as applicable. Once the forecasted transaction has been recognized as a sale or inventory purchase and a related asset or liability recorded in the balance sheet, the related fair value of the derivative hedge contract is reclassified from accumulated other comprehensive income (loss) into earnings. During the quarter ended January 31, 2003, the amount of losses reclassified to earnings for such cash flow hedges was \$1.0 million. As of January 31, 2003, the amount of such contracts outstanding was \$66.1 million. The unrecognized after-tax loss portion of the fair value of the contracts recorded in accumulated comprehensive loss as of January 31, 2003 was \$1.6 million.

The company also enters into other foreign currency exchange contracts. These contracts are intended to hedge intercompany financing transactions and other activities that are not subject to the accounting criteria of Statement of Financial Accounting Standard (SFAS) No. 133; therefore, changes in fair value of these instruments are recorded in other income, net.

### New Accounting Pronouncements

SFAS No. 143, "Accounting for Asset Retirement Obligations" addresses the diverse accounting practices for obligations associated with the retirement of tangible long-lived assets and the associated asset retirement costs. The

## Edgar Filing: TORO CO - Form 10-Q/A

company adopted this standard on November 1, 2002, which did not have a material impact on the company's financial statements.

SFAS No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets" establishes a single accounting model for the impairment or disposal of long-lived assets. The company adopted this standard on November 1, 2002, which did not have a material impact on the company's financial statements.

SFAS No. 146, "Accounting for Costs Associated with Exit or Disposal Activities" requires that a liability for a cost associated with an exit or disposal activity be recognized when the liability is incurred. This statement also establishes that fair value is the objective for initial measurement of the liability. The company will apply the provisions of SFAS No. 146 for exit or disposal activities initiated after December 31, 2002, as required.

In November 2002, the FASB issued Interpretation No. 45, "Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others." This interpretation elaborates disclosure requirements for obligations by a guarantor under certain guarantees. This interpretation also requires a guarantor to recognize, at the inception of a guarantee, a liability for the fair value of an obligation undertaken in issuing a guarantee. The company will apply the initial recognition and measurement provisions of Interpretation No. 45 to guarantees issued or modified after December 31, 2002, as required. The company has adopted the disclosure requirements in this Interpretation during the first quarter of fiscal 2003, as required.

10

### PART II. OTHER INFORMATION

#### Item 6. Exhibits and Reports on Form 8-K

##### (a) Exhibits

- |                |   |
|----------------|---|
| 3(i) and 4(a)  | Restated Certificate of Incorporation of Registrant (incorporated by reference to Exhibit 3(i) and 4(a) to Registrant's Annual Report on Form 10-K for the fiscal year ended October 31, 2001).   |
| 3(ii) and 4(b) | Bylaws of Registrant (incorporated by reference to Exhibit 3(ii) and 4(d) to Registrant's Quarterly Report on Form 10-Q for the quarter ended August 3, 2001).  |
| 4(c)           | Specimen form of Common Stock certificate (incorporated by reference to Exhibit 4(c) to Registrant's Registration Statement on Form S-8, Registration No. 2-94417).   |
| 4(d)           | Rights Agreement dated as of May 20, 1998, between Registrant and Wells Fargo Bank Minnesota, National Association relating to rights to purchase Series B Junior Participating Voting Preferred Stock, as amended (incorporated by reference to Registrant's Current Report on Form 8-K dated May 27, 1998, Commission File No. 1-8649). |
| 4(e)           | Indenture dated as of January 31, 1997, between   |

Edgar Filing: TORO CO - Form 10-Q/A

Registrant and First National Trust Association, as Trustee, relating to the Registrant's 7.125% Notes due June 15, 2007 and its 7.80% Debentures due June 15, 2027 (incorporated by reference to Exhibit 4(a) to Registrant's Current Report on Form 8-K for June 24, 1997, Commission File No. 1-8649).

- 99(a) Section 906 Certification of Chief Executive Officer.  
99(b) Section 906 Certification of Chief Financial Officer.

(b) Reports on Form 8-K

None.

11

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: June 3, 2003

By /s/ Stephen P. Wolfe  
-----

Stephen P. Wolfe  
Vice President Finance,  
Treasurer and Chief Financial Officer  
(duly authorized officer and principal  
financial officer)

12

CERTIFICATIONS

I, Kendrick B. Melrose, certify that:

1. I have reviewed this quarterly report on Form 10-Q/A of The Toro Company;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in

## Edgar Filing: TORO CO - Form 10-Q/A

Exchange Act Rules 13a-14 and 15d-14) for the registrant and have:

- a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
- b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and
- c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

- a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and
- b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this quarterly report whether there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: June 3, 2003

/s/ Kendrick B. Melrose

-----

Kendrick B. Melrose  
Chairman and Chief Executive Officer  
(Principal Executive Officer)

13

I, Stephen P. Wolfe, certify that:

1. I have reviewed this quarterly report on Form 10-Q/A of The Toro Company;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and have:

## Edgar Filing: TORO CO - Form 10-Q/A

- a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
- b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and
- c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

- a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and
- b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this quarterly report whether there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: June 3, 2003

/s/ Stephen P. Wolfe

-----

Stephen P. Wolfe  
Vice President, Finance  
Treasurer and Chief Financial Officer  
(Principal Financial Officer)