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): January 10, 2007

The Toro Company

(Exact name of registrant as specified in its charter)

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

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Item 1.01 Entry into a Material Definitive Agreement.

On January 10, 2007, The Toro Company ("Toro"), Toro Credit Company, Toro Manufacturing LLC, Exmark Manufacturing Company Incorporated, and certain other subsidiaries of Toro (collectively, the "Borrowers"), entered into a second amendment (the "Amendment") to the credit agreement dated as of September 8, 2004, and as previously amended on October 25, 2005 (as amended, the "Credit Agreement"), with certain lenders, and Bank of America, N.A., as administrative agent, swingline lender and letter of credit issuer (the "Administrative Agent"). The Credit Agreement provides for a $175 million unsecured senior five-year revolving credit facility, with a $20 million sublimit for the issuance of standby letters of credit and a $20 million sublimit for swingline loans. Pursuant to the terms of the Amendment, at the Borrowers' election, the aggregate maximum principal amount available under the Credit Agreement may be increased by an amount up to $100 million in the aggregate, which represents an increase from $75 million under the terms of the Credit Agreement, as previously amended. Funds are available under the credit facility for working capital, capital expenditures and other lawful purposes including acquisitions and stock repurchases.

In addition to potentially increasing the borrowing capacity of Toro, the Amendment also extended the maturity date of the facility from October 25, 2010 to January 10. 2012, revised the basis for determining the variable interest rate applicable to all Eurocurrency loans under the Credit Agreement, and revised the restricted payment negative covenant. With respect to the interest rate change, pursuant to the terms of the Amendment, at the Borrowers' option, any Eurocurrency loan under the Credit Agreement will bear interest at a variable rate based on LIBOR plus a basis point spread determined by reference to not only Toro's debt ratings, as was the case under the Credit Agreement, as previously amended, but also a ratio of Toro's total indebtedn ess to Toro's consolidated earnings before interest and taxes, plus depreciation and amortization expense, each as defined in the Credit Agreement, as amended. The maximum basis point spread applicable to Eurocurrency loans was also lowered.. With respect to the restricted payment negative covenant, so long as Toro maintains a ratio of total indebtedness to the sum of consolidated earnings before interest and taxes plus depreciation and amortization expense at less than or equal to 2 to 1, Toro will no longer be subject to a limitation on its ability to pay cash dividends or repurchase its shares of capital stock or rights to acquire shares of capital stock as was the case under the Credit Agreement, as previously amended. If that ratio is greater than 2 to 1, Toro is limited to payment of cash dividends and cash for repurchases of shares of capital stock or rights to acquire shares of capital stock to an amount not more than $50 million in any fiscal year.

The description of the Amendme nt set forth above is qualified by the Agreement filed as Exhibit 10(a) to this Current Report on Form 8-K and is hereby incorporated herein by this reference.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The information described above under "Section 1 – Registrant's Business and Operations – Item 1.01 Entry into a Material Definitive Agreement" is incorporated herein by this reference.

Item 9.01 Financial Statements and Exhibits.

(c) Exhibits. The following exhibit is filed herewith:

Exhibit No. Description
10(a) Amendment No. 2 to Credit Agreement dated as of January 10, 2007, among The Toro Company, Toro Credit Company, Toro Manufacturing LLC, Exmark Manufacturing Company Incorporated, and certain subsidiaries, as Borrowers, the lenders from time to time party thereto, Bank of America, N.A., as Administrative Agent, Swingline Lender and Letter of Credit Issuer

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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

January 12, 2007

By: Stephen P. Wolfe

Name: Stephen P. Wolfe
Title: Vice President Finance and Chief Financial Officer (duly authorized officer and principal financial officer)

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Exhibit Index

Exhibit No.	Description
10.(a)	Amendment No. 2 to Credit Agreement dated as of January 10, 2007

AMENDMENT NO. 2 TO CREDIT AGREEMENT

This Amendment No. 2 to Credit Agreement (this "Agreement") dated as of January 10, 2007 is made by and among **THE TORO COMPANY**, a Delaware corporation ("Toro"), **TORO CREDIT COMPANY**, a Minnesota corporation ("TCC"), **TORO MANUFACTURING LLC**, a Delaware limited liability company ("Manufacturing"), **EXMARK MANUFACTURING COMPANY INCORPORATED**, a Nebraska corporation ("Exmark", together with Toro, TCC, and Manufacturing sometimes collectively referred to herein as the "Companies"), and **TORO INTERNATIONAL COMPANY**, a Minnesota corporation, **TOVER OVERSEAS B.V.**, a Netherlands company, and **TORO FACTORING COMPANY LIMITED**, a Guernsey, Channel Islands company (the "Additional Borrowers", and together with the Companies, the "Borrowers" and, each a "Borrower"), each lender from time to time party hereto (collectively, the "Lenders" and individually, a "Lender"), and **BANK OF AMERICA, N.A.**, as Administrative Agent, Swing Line Lender and L/C Issuer.

W I T N E S S E T H:

WHEREAS, the Borrowers, the Administrative Agent and the Lenders have entered into that certain Credit Agreement dated as of September 8, 2004 (as amended by Amendment No. 1 to Credit Agreement dated as of October 25, 2005, as hereby amended and as from time to time hereafter further amended, modified, supplemented, restated, or amended and restated, the "Credit Agreement"; the capitalized terms as used in this Agreement not otherwise defined herein shall have the respective meanings given thereto in the Credit Agreement), pursuant to which the Lenders have made available to the Borrowers a revolving credit facility (including a letter of credit facility and a swing line facility); and

WHEREAS, the Borrowers have advised the Administrative Agent and the Lenders that the Borrowers desire to amend certain provisions of the Credit Agreement as set forth herein in connection with adjustments to the Applicable Rate, extension of the Maturity Date and the amount of Restricted Payments that the Borrowers can make, and the Administrative Agent and the Lenders have agreed so to amend the Credit Agreement on the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the premises and further valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Amendments to Credit Agreement. Subject to the terms and conditions set forth herein, the Credit Agreement is hereby amended as follows:

(a) The definition of "Applicable Rate" in Section 1.01 is hereby amended by deleting the definition in its entirety and inserting the following definition in lieu thereof:

" 'Applicable Rate' means, from time to time, the following percentages per annum, based upon (i) the ratio of (A) total Indebtedness to (B) the sum Consolidated EBIT plus depreciation and amortization expense for such period, and (ii) the Debt Rating as set forth below:

Applicable Rate

Pricing Level	Total Indebtedness to Consolidated EBITDA Ratio	Debt Ratings S&P/Moody's	Facility Fee	Eurocurrency Rate and Letters of Credit	Utilization Fee
1	Less than or equal to 0.50x	[3] BBB+/Baa1	0.100%	0.400%	0.000%
2	Less than or equal to 1.50x but greater than 0.50x	BBB/Baa2	0.125%	0.500%	0.000%
3	Less than or equal to 2.00x but greater than 1.50x	BBB-/Baa3	0.150%	0.600%	0.000%
4	Greater than 2.00x	£ BB+/Ba1	0.175%	0.700%	0.000%

" 'Debt Rating' means, as of any date of determination, the rating as determined by either S&P or Moody's (collectively, the "Debt Ratings") of Toro's non-credit-enhanced, senior unsecured long-term debt; provided that if a Debt Rating is issued by each of the foregoing rating agencies, then the higher of such Debt Ratings shall apply (with the Debt Rating for Pricing Level 1 being the highest and the Debt Rating for Pricing Level 4 being the lowest), unless there is a split in Debt Ratings of more than one level, in which case the Pricing Level that is one level higher than the Pricing Level of the lower Debt Rating shall apply.

"Initially, the Applicable Rate will be determined based upon the Debt Rating as specified in the certificate delivered pursuant to Section 4.01(a)(viii). If, as of any date of determination, the ratio of (A) total Indebtedness to (B) the sum Consolidated EBIT plus depreciation and amortization expense for such period corresponds to a Pricing Level different than that Pricing Level corresponding to the Debt Rating issued at the time of calculation of such ratio, then the lower of such two Pricing Levels (with Pricing Level 1 being the lowest and the Pricing Level 4 being the highest) will apply, unless there is a split of

more than one level in corresponding Pricing Levels, in which case the Pricing Level that is one level higher than the lower Pricing Level will apply. Thereafter, each change in the Applicable Rate resulting from a publicly announced change in the Debt Rating will be effective during the period commencing on the date of the public announcement thereof and ending on the date immediately preceding the effective date of the next such change, and any change in the Applicable Rate resulting from a change in the ratio of (A) total Indebtedness to (B) the sum Consolidated EBIT plus depreciation and amortization expense for such period will become effective as of the first Business Day after the date on which such Compliance Certificate is delivered pursuant to Section 6.02(a); provided, however, that if a Compliance Certificate is not delivered when due in accordance with such Section, then Pricing Level 4 will be the applicable Pricing Level corresponding to such ratio for determination as set forth above of the Applicable Rate as of the first Business Day after the date on which such Compliance Certificate was required to have been delivered. In the event that a Debt Rating has not been issued as of any date of determination, the Pricing Level corresponding to the ratio of (A) total Indebtedness to (B) the sum Consolidated EBIT plus depreciation and amortization expense for such period as of such date of determination shall apply. In the event that only one Debt Rating has been issued as of any date of determination, that Debt Rating shall apply.

"For the purposes of calculating total Indebtedness for use in calculating the ratio of (A) total Indebtedness to (B) the sum Consolidated EBIT plus depreciation and amortization expense for such period for the determination of "Applicable Rate", the Outstanding Amount of all Loans and L/C Obligations shall be calculated as an average of the daily Outstanding Amount for the twelve month period most recently completed prior to the date of determination for which financial statements have been delivered to the Lenders pursuant to Section 6.01."

(b) The definition of "Maturity Date" in Section 1.01 is hereby amended by deleting the definition in its entirety and inserting the following definition in lieu thereof:

(c) " 'Maturity Date' means January 10, 2012."

(d) Section 2.14(a) is hereby amended by deleting the number "$75,000,000" in the fourth line of such subsection and inserting "$100,000,000" in lieu thereof.

(e) Section 7.07(c) is hereby amended by deleting that subsection (c) in its entirety and inserting the following subsection (c) in lieu thereof:

"(c) (A) if the ratio of (1) total Indebtedness to (2) the sum Consolidated EBIT plus depreciation and amortization expense for such period is less than or equal to 2.00 to 1.00 as set forth in the most recently delivered Compliance Certificate, Toro may declare and pay cash dividends to its stockholders and purchase, redeem or otherwise acquire shares of its capital stock or warrants, rights or options to acquire any such shares for cash without restriction, and (b) if the ratio of (1) total Indebtedness to (2) the sum Consolidated EBIT plus depreciation and amortization expense for such period is greater than 2.00 to 1.00 as set forth in the most recently delivered Compliance Certificate, Toro may declare and pay cash dividends to its stockholders and purchase, redeem or otherwise acquire shares of its capital stock or warrants, rights or options to acquire any such shares for cash up to an amount not to exceed $50 million in any fiscal year; provided, that, immediately after giving effect to any such proposed action, no Default or Event of Default would exist; and"

2. Conditions Precedent. The effectiveness of this Agreement and the amendments to the Credit Agreement herein provided are subject to the satisfaction of the following conditions precedent:

(a) The Administrative Agent shall have received each of the following documents or instruments in form and substance reasonably acceptable to the Administrative Agent:

(i) ten (10) original counterparts of this Agreement, duly executed by the Borrowers, the Administrative Agent, and the Required Lenders, together with all schedules and exhibits thereto duly completed;

(ii) such other documents, instruments, opinions, certifications, undertakings, further assurances and other matters as the Administrative Agent shall reasonably require.

(b) payment of (i) all reasonable out of pocket fees and expenses of counsel to the Administrative Agent incurred in connection with the execution and delivery of this Agreement to the extent invoiced prior to the date hereof; (ii) an upfront fee for each Lender executing this Agreement by 12:00 noon (Eastern time) on January 10, 2007, which fee shall be in an amount equal to five basis points (5 "bps") multiplied by each such Lender's Applicable Percentage of the Aggregate Commitments immediately prior to the effective date of this Agreement, such upfront fee for each such Lender's own account.

3. Reaffirmation by each of the Borrowers. Each of the Borrowers hereby consents, acknowledges and agrees to the amendments of the Credit Agreement set forth herein.

4. Representations and Warranties. In order to induce the Administrative Agent and the Lenders to enter into this Agreement, each of the Borrowers represents and warrants to the Administrative Agent and the Lenders as follows:

(a) The representations and warranties of (i) the Borrowers contained in Article V (after giving effect to this Agreement) and (ii) each Loan Party contained in each other Loan Document or in any document furnished at any time under or in connection herewith or therewith, shall be true and correct on and as of the date hereof, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct as of such

earlier date, and except that for purposes of this Agreement, the representations and warranties contained in subsections (a) and (b) of Section 5.05 shall be deemed to refer to the most recent statements furnished pursuant to clauses (a) and (b), respectively, of Section 6.01.

(b) There does not exist any pending or threatened action, suit, investigation or proceeding in any court or before any arbitrator or Governmental Authority that purports to affect any transaction contemplated under this Agreement or the ability of any Borrower to perform its respective obligations under this Agreement;

(c) There has not occurred since October 31, 2006, any event or circumstance that has resulted or could reasonably be expected to result in a Material Adverse Effect or a material adverse change in or a material adverse effect upon the business, assets, liabilities (actual or contingent), operations, condition (financial or otherwise), or prospects of Toro and its Subsidiaries taken as a whole; and

(d) No Default or Event of Default has occurred and is continuing.

5. Entire Agreement. This Agreement, together with all the Loan Documents (collectively, the "Relevant Documents"), sets forth the entire understanding and agreement of the parties hereto in relation to the subject matter hereof and supersedes any prior negotiations and agreements among the parties relative to such subject matter. No promise, condition, representation or warranty, express or implied, not herein set forth shall bind any party hereto, and not one of them has relied on any such promise, condition, representation or warranty. Each of the parties hereto acknowledges that, except as otherwise expressly stated in the Relevant Documents, no representations, warranties or commitments, express or implied, have been made by any party to the other. None of the terms or conditions of this Agreement may be changed, modified, waived or canceled orally or otherwise, except as permitted pursuant to Section 11.01 of the Credit Agreement.

6. Full Force and Effect of Agreement. Except as hereby specifically amended, modified or supplemented, the Credit Agreement and all other Loan Documents are hereby confirmed and ratified in all respects by each party hereto and shall be and remain in full force and effect according to their respective terms.

7. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original as against any party whose signature appears thereon, and all of which shall together constitute one and the same instrument.

8. Governing Law. This Agreement shall in all respects be governed by, and construed in accordance with, the laws of the state of New York.

9. Enforceability. Should any one or more of the provisions of this Agreement be determined to be illegal or unenforceable as to one or more of the parties hereto, all other provisions nevertheless shall remain effective and binding on the parties hereto.

10. References. All references in any of the Loan Documents to the "Credit Agreement" shall mean the Credit Agreement, as amended hereby.

11. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Borrowers, the Administrative Agent and each of the Lenders, and their respective successors, assigns and legal representatives; provided, however, that no Borrower, without the prior consent of the Required Lenders, may assign any rights, powers, duties or obligations hereunder.

12. Expenses. Toro agrees to pay to the Administrative Agent all reasonable out-of-pocket expenses incurred or arising in connection with the negotiation and preparation of this Agreement.

[Signature pages follow.]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment No. 1 to Credit Agreement to be made, executed and delivered by their duly authorized officers as of the day and year first above written.

THE TORO COMPANY

By:	/s/ Stephen P. Wolfe
Name:	Stephen P. Wolfe
Title:	Vice President – Finance & CFO

By:	/s/ T J Larson
Name:	Thomas J. Larson
Title:	Treasurer

TORO CREDIT COMPANY

By:	/s/ T J Larson
Name:	Thomas J. Larson
Title:	Secretary-Treasurer

TORO MANUFACTURING LLC

By: /s/ Stephen P. Wolfe
Name: Stephen P. Wolfe
Title: President

EXMARK MANUFACTURING COMPANY

INCORPORATED

By: /s/ J. Lawrence McIntyre
Name: J. Lawrence McIntyre
Title: Vice President and Secretary

TORO INTERNATIONAL COMPANY

By: /s/ J. Lawrence McIntyre
Name: J. Lawrence McIntyre
Title: Vice President and Secretary

TORO OVERSEAS B.V.

By: /s/ Paula Graff
Name: Paula Graff
Title: Authorized Signatory

TORO FACTORING COMPANY LIMITED

By: /s/ Paula Graff
Name: Paula Graff
Title: Managing Director

BANK OF AMERICA, N.A., as Administrative Agent

By: /s/ Charlene Wright-Jones
Name: Charlene Wright-Jones
Title: Assistant Vice President

BANK OF AMERICA, N.A., as a Lender, L/C

Issuer and Swing Line Lender

By: /s/ Charles R. Dickerson
Name: Charles R. Dickerson
Title: Managing Director

SUNTRUST BANK, as a Lender and a Co-

Syndication Agent

By: /s/ Daniel S. Komitor
Name: Daniel S. Komitor
Title: Director

U.S. BANK NATIONAL ASSOCIATION, as a

Lender and a Co-Syndication Agent

By:	/s/ Michael J. Staloch
Name:	Michael J. Staloch
Title:	Senior Vice President

HARRIS TRUST AND SAVINGS BANK, as a

Lender and a Co-Documentation Agent

By:	/s/ Patrick J. McDonnell
Name:	Patrick J. McDonnell
Title:	Managing Director

WELLS FARGO BANK, NATIONAL

ASSOCIATION, as a Lender and a Co-

Documentation Agent

By:	/s/ Scott Bjelde
Name:	Scott Bjelde
Title:	Senior Vice President

THE BANK OF NEW YORK, as a Lender

By:	/s/ Walter C. Parelli
Name:	Walter C. Parelli
Title:	Vice President