

Form **8937**
(December 2017)
Department of the Treasury
Internal Revenue Service

Report of Organizational Actions Affecting Basis of Securities

OMB No. 1545-0123

► See separate instructions.

Part I Reporting Issuer

1 Issuer's name		2 Issuer's employer identification number (EIN)	
HNI Corporation		42-0617510	
3 Name of contact for additional information	4 Telephone No. of contact	5 Email address of contact	
Steven Bradford	(563) 272-4919	bradfords@hnicorp.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact		7 City, town, or post office, state, and ZIP code of contact	
600 East Second Street		Muscatine, Iowa 52748	
8 Date of action		9 Classification and description	
June 1, 2023		Acquisition in exchange for cash and shares of HNI Corporation	
10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)
404251100		HNI (NYSE)	

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

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ► [See attachment.](#)

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ► [See attachment.](#)

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ► [See attachment.](#)

HNI Corporation
Attachment to Form 8937, Part II

On June 1, 2023, pursuant to the Agreement and Plan of Merger, dated as of March 7, 2023, by and among HNI Corporation (“HNI”), Ozark Merger Sub, Inc. (“Merger Sub”), and Kimball International, Inc. (“Kimball”), Merger Sub merged with and into Kimball (the “Merger”), with Kimball continuing as the surviving company of the Merger and a wholly-owned subsidiary of HNI.

HNI described the material U.S. federal income tax consequences of the Merger on its Form S-4, filed with the Securities and Exchange Commission (Registration No. 333-271298) (as amended, the “Registration Statement”) and dated April 19, 2023. The information provided herein is not tax advice, is not complete and is qualified in its entirety by reference to the Registration Statement.

The following discussion does not address the consequences of the Merger to Kimball shareholders who also actually or constructively owned HNI common stock at the time of the Merger. As described further in the Registration Statement, such shareholders could be subject to materially different consequences as a result of the potential application of Section 304 of the Code to the Merger. In addition, as described therein, it is not possible to determine with certainty whether Section 304 of the Internal Revenue Code, as amended (the “Code”) applies to the Merger based on information that is reasonably available. Kimball shareholders who actually or constructively owned HNI common stock at the time of the Merger should refer to the applicable section of the Registration Statement for a discussion of the potential application of Section 304 of the Code to the Merger.

This Form 8937 does not constitute tax advice. The following discussion is not a complete analysis or discussion of all the potential tax consequences of the Merger. Holders should consult their own tax advisors as to the specific tax consequences to such holders of the Merger, including tax return reporting requirements and the applicability and effect of U.S. federal, state, local and non-U.S. income and other tax laws in light of such holders’ particular circumstances. Holders should carefully read the Registration Statement, including under the heading “Material U.S. Federal Income Tax Consequences.”

Part II

Question 14

In the Merger, each share of Kimball common stock (other than certain excluded shares) was converted into the right to receive 0.1301 fully paid and nonassessable shares of HNI common stock (with, if applicable, cash in lieu of fractional shares) and \$9.00 in cash, without interest, less any applicable withholding taxes (the “Merger Consideration”).

Question 15

The exchange of Kimball common stock for Merger Consideration was a taxable transaction for U.S. federal income tax purposes. As a result, the aggregate tax basis of the HNI common stock received in the Merger generally is equal to the fair market value of such stock as of the Merger. U.S. federal income tax laws do not specify how to determine fair market value. One approach is to take the average of the high and low trading price of HNI common stock on the NYSE on June 1, 2023, which is \$25.62. Other valuation methodologies exist, however, and holders should consult their own tax advisors regarding such methods.

Question 16

The aggregate tax basis of the HNI common stock received in the Merger generally is equal to the fair market value of such stock as of the Merger. See Question 15, above, for a discussion of the determination of the fair market value of HNI common stock.

Question 17

Sections 1001 and 1012 of the Code.

Question 18

Yes, loss generally may be recognized.

Question 19

The Merger was completed on June 1, 2023. For a holder of HNI common stock with a calendar tax year, the reportable tax year is 2023.