

## Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

<b>Part I Reporting Issuer</b>	
<b>1</b> Issuer's name  Shoe Carnival, Inc.	<b>2</b> Issuer's employer identification number (EIN)  35-1736614
<b>3</b> Name of contact for additional information  W. Kerry Jackson	<b>4</b> Telephone No. of contact  812-867-4037
<b>6</b> Number and street (or P.O. box if mail is not delivered to street address) of contact  7500 E. Columbia St.	<b>5</b> Email address of contact  general_accounting@scvl.com
<b>8</b> Date of action  April 27, 2012	<b>7</b> City, town, or post office, state, and Zip code of contact  Evansville, IN 47715
<b>9</b> Classification and description  A three for two stock split of the issuer's common shares	<b>13</b> Account number(s)
<b>10</b> CUSIP number  824889109	<b>11</b> Serial number(s)
<b>12</b> Ticker symbol  SCVL	

**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 ▶ On March 23, 2012 the Shoe Carnival, Inc Board of Directors authorized a three-for-two stock split of its shares of common stock. As a result of the stock split , each shareholder of record at the close of business on April 13, 2012 was entitled to receive one additional share of common stock for every two shares of common stock owned. The stock dividend was paid on April 27, 2012.

**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 ▶ Immediately after the stock split the tax basis of the issuer's common stock held by each shareholder prior to the stock split is prorated between the shares held prior to the stock split and the new shares of stock received as a result of the stock dividend paid on April 27, 2012. A shareholder's overall tax basis will remain unchanged but the per share tax basis is expected to be reduced by one-third as a result of the stock dividend.

**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 ▶ For example, if a shareholder held two of the issuer's stock with a tax basis of \$30 each and a total tax basis of \$60 the holder would receive one additional share as a stock dividend with each of the three shares now having a tax basis of \$20 each and a total basis of \$60. The market value of the common stock is not applicable in determining the calculation of a shareholder's tax basis in the shares received in the stock split.

**Part II Organizational Action** (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ \_\_\_\_\_

**Internal Revenue Code Section 305**

**Regulation 1.305-3(c)**

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18 Can any resulting loss be recognized? ▶ **The receipt of additional shares of common stock as a result of this stock split will not result in a taxable event to the shareholders unless the shareholder was due to receive a fractional share as a result of the stock split. Shoe Carnival issued cash-in-lieu of fractional shares which may create a gain or loss for individual shareholders.**

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19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ **The reportable tax year is 2012.**

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Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

**Sign Here**

Signature ▶ *W Kerry Jackson* Date ▶ *6-6-12*

Print your name ▶ *W Kerry Jackson* Title ▶ *EVA-CFO*

<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶			Firm's EIN ▶	
	Firm's address ▶			Phone no.	