

MODINE MANUFACTURING CO  
Form 11-K  
June 29, 2005

**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 11-K**

Annual Report Pursuant to Section 15(d)  
of the Securities Exchange Act of 1934

As of December 31, 2004 and December 31, 2003 and  
for the year ended December 31, 2004

Commission file number 1-1373

A. Full title of the plan and the address of the plan if  
different from that of the issuer named below:

**MODINE 401(K) RETIREMENT PLAN  
FOR SALARIED EMPLOYEES**

B. Name of issuer of the securities held pursuant to the

Plan and the address of its principal executive office:

**MODINE MANUFACTURING COMPANY  
1500 DeKoven Avenue, Racine, Wisconsin 53403-2552**

**MODINE 401(K) RETIREMENT PLAN  
FOR SALARIED EMPLOYEES**

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Modine Manufacturing Company  
Pension Benefits Committee  
Racine, Wisconsin

We have audited the accompanying statements of net assets available for benefits of the Modine 401(k) Retirement Plan for Salaried Employees (the "Plan") as of December 31, 2004 and 2003, and the related statement of changes in net assets available for benefits for the year ended December 31, 2004. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2004 and 2003, and the changes in net assets available for benefits for the year ended December 31, 2004, in conformity with U.S. generally accepted accounting principles.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of assets (held at end of year) is presented for the purpose of additional analysis and is not a required part of the basic financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in the audit of the basic 2004 financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic 2004 financial statements taken as a whole.

Crowe Chizek and Company LLC  
/s/ Crowe Chizek and Company LLC

Oak Brook, Illinois  
June 29, 2005



MODINE 401(K) RETIREMENT PLAN  
FOR SALARIED EMPLOYEES

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

December 31, 2004 and 2003

|                                   | 2004          | 2003         |
|-----------------------------------|---------------|--------------|
| <b>ASSETS</b>                     |               |              |
| Investments (Note 3)              | \$100,174,287 | \$65,600,780 |
| Receivables:                      |               |              |
| Employer contribution             | 70,719        | -            |
| Accrued interest and dividends    | 22,947        | 2,809        |
| Total receivables                 | 93,666        | 2,809        |
| <b>LIABILITIES</b>                |               |              |
| Net assets available for benefits | \$100,267,953 | \$65,603,589 |

The accompanying notes are an integral part of the financial statements.

MODINE 401(K) RETIREMENT PLAN  
FOR SALARIED EMPLOYEES

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

for the year ended December 31, 2004

**Additions:**

Investment income:

|   |              |
|---|--------------|
| Net appreciation in fair value of investments | \$11,859,399 |
| Interest                                      | 41,162       |
| Dividends                                     | 524,664      |
| Total investment income                       | 12,425,225   |

Contributions:

|                        |            |
|------------------------|------------|
| Participant            | 6,553,872  |
| Employer               | 2,247,082  |
| Rollover contributions | 330,112    |
| Total contributions    | 9,131,066  |
| Transfers (Note 10)    | 19,084,739 |
| Total additions        | 40,641,030 |

**Deductions:**

|   |            |
|---|------------|
| Distributions to participants                     | 5,947,717  |
| Administrative costs                              | 28,949     |
| Total deductions                                  | 5,976,666  |
| Net increase in net assets available for benefits | 34,664,364 |

**Net assets available for benefits:**

|                   |            |
|-------------------|------------|
| Beginning of year | 65,603,589 |
|-------------------|------------|

End of year

\$100,267,953

The accompanying notes are an integral part of the financial statements.

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MODINE 401(K) RETIREMENT PLAN  
FOR SALARIED EMPLOYEES

NOTES TO FINANCIAL STATEMENTS  
December 31, 2004 and 2003

1. Description of Plan

The following description of the Modine 401(k) Retirement Plan for Salaried Employees ("the Plan") provides only general information on the Plan. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

A. General

The Plan is a 401(k) profit sharing plan covering all eligible salaried employees of Modine Manufacturing Company ("the Company"), who have one hour of service. Eligible employees who elect to participate are referred to as Participants. The Plan was established on January 1, 1999 and is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

B. Contributions

Plan Participants enter into a salary reduction agreement wherein the employee elects a reduction in compensation, which the Company contributes to the Plan. Participants direct investment of their contributions into various investment options offered by the Plan. The Plan currently offers twelve investment alternatives. Participants may contribute up to 50% of their compensation including overtime, but before bonuses, commissions or taxable fringe benefits. Participants may transfer into the Plan certain assets previously held under another tax-qualified plan.

Prior to August 1, 2004, the Company made matching contributions equal to 50% of employee contributions which did not exceed 6% of total compensation. Effective August 1, 2004, the match was changed to 60% of employee contributions which did not exceed 6% of total compensation. The Company has the discretion to make an additional contribution and match all or any portion of the Participant's contribution. The matching and discretionary, if any, Company contributions are invested directly in the Modine Company Stock Fund. For 2004, the Company made a discretionary contribution to eligible participants which totaled \$70,719.

Participant and Company contributions are subject to certain statutory limitations.

C. Participant Accounts

Each Participant account is credited with the Participant's contributions and allocations of the Company's matching contribution, the Company's discretionary contribution, and Plan earnings. Allocations of contributions and investment earnings are based on the Participant contributions or account balances, as provided by the Plan. The net appreciation (depreciation) in fair value of investments is also allocated to the individual Participant accounts based on each Participant's share of fund investments. The benefit to which a Participant is entitled is the benefit that can be provided from the Participant's vested account.



NOTES TO FINANCIAL STATEMENTS, continued

1. Description of Plan, continued

D. Vesting

Participants are immediately vested in their voluntary contributions plus actual earnings thereon. Participants with an Employment Commencement Date prior to January 1, 2001 are 100% vested in the Company's contributions. Participants with an Employment Commencement Date subsequent to December 31, 2000 will vest in the Company's contributions after three years of service. All Thermacore, Inc. employees who were employed on or before December 31, 2001 shall be 100% vested in their Matching Account. A year of service is defined as 1,000 or more hours of service in a Plan year.

E. Participant Loans

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum of \$50,000 or 50 percent of their account balances, whichever is less. The maximum loan repayment term is five years, except for loans to purchase a primary residence. Loans bear interest at the Marshall & Ilsley Bank prime rate plus 1%. All principal and interest payments are credited to Participant account balances according to current investment directions in effect for new contributions at the time of each loan repayment.

F. Distributions

If a Participant retires, dies, terminates employment, or incurs a permanent disability, distributions of their account will be made in a lump sum. The timing and form of distributions are subject to certain minimum balances and age restrictions as provided by the Plan.

G. Withdrawals

The Plan provides for both hardship and non-hardship withdrawals. Contributions may only be withdrawn without penalty on or after age 59½ or in the event of retirement, death, disability, or termination on or after age 55. Financial hardship includes certain medical expenses, purchase of a primary residence, tuition and related education fees, or to prevent eviction from, or foreclosure on the mortgage on, the primary residence.

H. Forfeited Accounts

At December 31, 2004 forfeited nonvested accounts totaled \$28,616. These accounts will be used to pay Plan expenses. Any remaining forfeitures are used to reduce the Employer Matching Contributions.

I. Administrative Expenses

Most expenses of administering the Plan are borne by the Company.

NOTES TO FINANCIAL STATEMENTS, continued

1. Description of Plan, continued

J. Trustee

As of December 31, 2004 and 2003, the assets of the Plan were held under an Agreement of Trust by Marshall & Ilsley Trust Company, Milwaukee, N.A., Wisconsin.

2. Summary of Significant Accounting Policies

A. Basis of Accounting

The financial statements of the Plan are prepared under the accrual method of accounting, in accordance with U.S. generally accepted accounting principles.

B. Investment Valuation

Investment in the Modine Company Stock Master Trust Fund ("Master Trust"), consisting primarily of Modine Common Stock, with a small amount in money market investments, is valued at this Plan's proportionate share of the aggregate net asset value of the Master Trust's assets. The net asset value per unit is calculated by dividing the fund's total market value by the outstanding number of Participant units. The units are updated daily based upon Participant activity. The number of units and market price of the Modine Company Stock Master Trust Fund held by the Plan is as follows:

|              | December 31, 2004 | December 31, 2003 |
|--------------|-------------------|-------------------|
| Units        | 795,195           | 566,683           |
| Market Price | \$31,772,631      | \$17,946,289      |

Investments held in the other investment funds are stated at the market value of units held by the Plan as of the last trading day of the period, as reported by the managers of the respective funds.

Loans to Participants are valued at the balance of amounts due, plus accrued interest thereon, which approximates fair value.

C. Security Transactions and Related Investment Income

Security transactions are accounted for as of the trade date and dividend income is recorded as of the dividend record date. Interest income is recorded on the accrual basis. The cost of securities sold is determined on a moving average cost basis.

D. Net Appreciation (Depreciation) in Fair Value of Investments

The Plan presents in the statement of changes in net assets available for benefits the net appreciation (depreciation) in the fair value of its investments which consists of the realized gains or losses and the unrealized appreciation (depreciation) on those investments.



## NOTES TO FINANCIAL STATEMENTS, continued

2. Summary of Significant Accounting Policies, continuedE. Withdrawals and Distributions

Withdrawals and distributions from the Plan are recorded at the fair value of the distributed investments, plus cash paid in lieu of fractional shares where applicable. Withdrawals and distributions are recorded when paid.

F. Use of Estimates

Financial statements prepared in conformity with U. S. generally accepted accounting principles require management to make estimates and assumptions that significantly affect amounts and disclosures reported therein. Actual results could differ from those estimates.

3. Investments

The following presents investments that represent 5 percent or more of the Plan's net assets:

|  | December 31, 2004 | December 31, 2003 |
|--|-------------------|-------------------|
| M&I Diversified Stock Fund, 212,840 and<br>193,733 units, respectively           | \$6,052,464       | \$4,926,402       |
| M&I Stable Principal Fund,<br>7,278,480 and - units, respectively                | 7,278,480         | -                 |
| Vanguard Institutional Index Fund,<br>130,596<br>and 117,883 units, respectively | 14,458,232        | 11,998,092        |
| Managers Special Equity Fund,<br>74,721 and 61,017 units, respectively           | 6,755,514         | 4,789,212         |
| M&I Diversified Income Fund, 278,799<br>and 245,330 units, respectively          | 5,463,153         | 4,561,638         |
| Legg Mason Value Fund, 79,763 and<br>79,193 units, respectively                  | 5,202,950         | 4,613,787         |
| Marshall Mid-Cap Value Fund, 336,204<br>and 206,542 units, respectively          | 5,063,228         | 2,852,340         |
| Marshall Money Market Fund, -  | -                 | 4,633,884         |

and 4,633,884 units, respectively

Investment in Modine Company Stock

Master Trust Fund, 795,195 and 566,683  
units, respectively

31,772,631 \*

17,946,289 \*

\* Participant and non-participant directed

## NOTES TO FINANCIAL STATEMENTS, continued

3. Investments, continued

During 2004, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated in value by \$11,859,399 as follows:

|                         |              |
|-------------------------|--------------|
| Common collective funds | \$1,320,550  |
| Mutual Funds            | 4,680,136    |
| Master Trust Investment | 5,858,713    |
|                         | \$11,859,399 |

4. Master Trust Information

The Plan's allocated share of the Master Trust's net assets at December 31, 2004 and 2003 is as follows:

|  | Plan's Share of Master<br>Trust's Net Assets |        |
|--|--|--------|
|  | 2004   | 2003   |
| Modine Company Stock Master Trust Fund | 24.40%                                       | 57.09% |

The following assets are held in the Modine Company Stock Master Trust Fund at December 31, 2004 and December 31, 2003:

|                             | 2004          | 2003         |
|-----------------------------|---------------|--------------|
| Modine Common Stock         | \$129,259,369 | \$30,292,712 |
| Receivables (payables), net | (27,436)      | 551          |
| Cash and cash equivalents   | 1,000,173     | 886,431      |
| Due from broker             | -             | 254,514      |
| Total                       | \$130,232,106 | \$31,434,208 |

Investment income for the Modine Company Stock Master Trust Fund for the year ended December 31, 2004 is as follows:

|  |              |
|--|--------------|
| Net appreciation in fair value<br>of Modine Common Stock | \$16,159,238 |
|--|--------------|

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|           |              |
|-----------|--------------|
| Interest  | 12,385       |
| Dividends | 1,152,547    |
| Total     | \$17,324,170 |

During 2004, assets of the Modine Employee Stock Ownership Plan totaling approximately \$84 million transferred into the

Modine Company Stock Master Trust Fund.

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## NOTES TO FINANCIAL STATEMENTS, continued

5. Nonparticipant -Directed Investments

The Modine Company Stock Master Trust Fund includes certain nonparticipant-directed amounts. Information about the net assets and the significant components of the changes in net assets relating to the nonparticipant-directed investments is as follows:

|                     | December 31, 2004 | December 31, 2003 |
|---------------------|-------------------|-------------------|
| <b>Net Assets:</b>  |                   |                   |
| Modine Common Stock | \$18,785,866      | \$ 14,463,495     |

Year Ended  
December 31, 2004

**Changes in Net Assets:**

|                                 |             |
|---------------------------------|-------------|
| Contributions                   | \$2,247,082 |
| Net appreciation/(depreciation) | 2,996,283   |
| Benefits paid to Participants   | (920,994)   |
|                                 | \$4,322,371 |

6. Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. If the Plan were terminated, Participants would receive benefits under the Plan based on their respective account balances accumulated to the date of the termination of the Plan. All Participants would become 100% vested upon Plan termination.

7. Tax Status

The Plan is intended to be a qualified profit sharing plan under Section 401(a) and 401(k) of the Internal Revenue Code ("the Code"), and as such is not subject to Federal income taxes. The Plan obtained its latest determination letter dated June 30, 2004 in which the Internal Revenue Service stated that the Plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code (the "Code"). Therefore, no provision for income taxes has been included in the Plan's financial statements. The Plan Administrator believes that the Plan is designed and continues to operate in compliance with the applicable requirements of the Code.

8. Risks and Uncertainties

The Plan provides for various investment options in any combination of stocks, common collective funds, mutual funds, and other investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risks in the near term



would materially affect Participants' account balances and the amounts reported in the statement of net assets available for benefits and the statement of changes in net assets available for benefits.

At December 31, 2004, approximately 31% of the Plan's assets were invested in Modine Manufacturing Company common stock, through the Modine Company Stock Master Trust Fund.

NOTES TO FINANCIAL STATEMENTS, continued

9. Party-In-Interest Transactions

Parties-in-interest are defined under Department of Labor regulations as any fiduciary of the Plan, any party rendering service to the Plan, the employer and certain others. At December 31, 2004 and 2003, the Plan held shares of mutual funds managed by Marshall & Ilsley Trust Company, and held units in the Modine Company Stock Master Trust Fund. Marshall & Ilsley Trust Company, N.A. is the Plan Trustee, and Modine Manufacturing Company is the Plan Administrator, therefore these investments and transactions therein are considered party-in-interest. Participants are also allowed to take loans from their accounts in the Plan, and these loans also qualify as party-in-interest investments. At December 31, 2004 and 2003, the value of party-in-interest investments was \$60,663,549 and \$38,722,195, respectively. Administrative fees in the amount of \$24,649 were paid from the Plan to Marshall & Ilsley Trust Company. Loan processing fees in the amount of \$4,300 were paid by Participants to Marshall & Ilsley Trust Company. These transactions are allowable party-in-interest transactions under ERISA and the regulations promulgated thereunder.

10. Transfers

From time to time, changes in employee status require the transfer of funds between the Modine 401(k) Retirement Plan for Hourly Employees and the Modine 401(k) Retirement Plan for Salaried Employees.

Participants of the Modine Employee Stock Ownership Plan ("Modine ESOP Plan") are also allowed to transfer funds from the Modine ESOP to the Modine 401(k) Retirement Plan for Salaried Employees. The majority of the transfer reflected in the statement of changes in net assets available for benefits for the year ended December 31, 2004 resulted from these types of transfers.

11. Terminated Participants

Included in net assets available for benefits are amounts allocated to individuals who have completed an election to withdraw from the Plan and requested that their benefits be paid, but whose distributions have not yet been paid. Plan assets allocated to the accounts of these participants were \$21,846 and \$0 at December 31, 2004 and 2003, respectively.

## NOTES TO FINANCIAL STATEMENTS, continued

## 12. Reconciliation of Financial Statements to Form 5500

Following is a reconciliation of net assets available for benefits per the financial statements to net assets per the Form 5500 as of December 31:

|  | 2004          | 2003         |
|--|---------------|--------------|
| Net assets available for benefits per the financial statements | \$100,267,953 | \$65,603,589 |
| Employer contribution receivable                               | (70,719)      | -            |
| Net assets per the Form 5500                                   | \$100,197,234 | \$65,603,589 |

Following is a reconciliation of the increase net assets available for benefits per the financial statements to net income per the Form 5500 for the year ended December 31, 2004:

|  |              |
|--|--------------|
| Increase in net assets available for benefits per the financial statements | \$34,664,364 |
| Current year employer contribution receivable                              | (70,719)     |
| Net income per the Form 5500   | \$34,593,645 |

**SUPPLEMENTAL SCHEDULE**

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MODINE 401(K) RETIREMENT PLAN  
FOR SALARIED EMPLOYEES

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)  
December 31, 2004

Plan Sponsor: Modine Manufacturing Company

EIN: 39-0482000

Plan Number: 024

| (a)  | (b)   | (c)                                  | (d)       | (e)              |
|--|---|--------------------------------------|-----------|------------------|
| Identity of issue,<br>borrower, lessor or<br>similar party | Description of investment<br>including<br>maturity date, rate of<br>interest,<br>collateral, par or maturity<br>value | Shares or units                      | Cost      | Current<br>value |
| <b>Common Collective Funds</b>                             |   |                                      |           |                  |
| *  | Marshall & Ilsley<br>Trust Company  | Diversified Income Fund              | 278,799   | ** \$ 5,463,153  |
|  |   | Growth Balanced Fund                 | 176,522   | ** 4,299,862     |
|  |   | Diversified Stock Fund               | 212,840   | ** 6,052,464     |
|  |   | Stable Principal Fund                | 7,278,480 | ** 7,278,480     |
| <b>Mutual Funds</b>  |   |                                      |           |                  |
|  | The Vanguard Group  | Vanguard Institutional<br>Index Fund | 130,596   | ** 14,458,232    |
|  | The Managers Funds,<br>L.P.   | Special Equity Fund                  | 74,721    | ** 6,755,514     |
|  | American Funds, Inc.  | Growth Fund of America               | 69,406    | ** 1,880,898     |
|  | Legg Mason  | Value Fund                           | 79,763    | ** 5,202,950     |
|  | Calamos Investment<br>Trust   | Growth Fund                          | 14,382    | ** 761,977       |
|  | Dodge and Cox   | Dodge and Cox Stock Fund             | 36,233    | ** 4,718,271     |
|  | Fidelity Advisor<br>Series VIII   | Diversified International<br>Fund    | 252,396   | ** 4,684,466     |
|  | Royce Fund  | Opportunity Fund                     | 79,607    | ** 1,048,430     |
| *  | Marshall Funds, Inc.  | Marshall Mid-Cap Value<br>Fund       | 336,204   | ** 5,063,228     |

(Continued)MODINE 401(K) RETIREMENT PLAN

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FOR SALARIED EMPLOYEES

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)  
December 31, 2004

Plan Sponsor: Modine Manufacturing Company

EIN: 39-0482000

Plan Number: 024

| (a) | (b)                     | (c)                          | (d)     | (e)           |
|-----|-------------------------|------------------------------|---------|---------------|
|     |                         | <b>Other</b>                 |         |               |
|     |                         | Modine Company Stock         |         |               |
| *   |                         | Master Trust Fund (Common    |         |               |
|     | Marshall & Ilsley Trust | Stock and Marshall Money     |         |               |
|     | Company                 | Market Fund)                 | 795,195 | \$20,556,892  |
| *   | Participant Loans       | 5.25 - 11.00% interest rate, |         | 31,772,631    |
|     |                         | various                      |         |               |
|     |                         | maturity dates               |         | 733,731       |
|     |                         |                              |         | \$100,174,287 |

\* Represents party in interest to the Plan.

\*\* Investments are Participant directed; cost not required to be disclosed.

**EXHIBITS TO ANNUAL REPORT ON FORM 11-K**

The exhibits listed below are filed as part of this Annual Report on Form 11-K. Each exhibit is listed according to the number assigned to it in the Exhibit Table of Item 601 of Regulation S-K.

| Exhibit<br>Number | Description   |
|-------------------|---|
| 23                | Consent of Independent Registered Public Accounting Firm, filed herewith. |



**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the members of the Committee which administers the Plan have duly caused this annual report to be signed by the undersigned hereunto duly authorized.

MODINE 401(k) RETIREMENT PLAN  
FOR SALARIED EMPLOYEES

June 29, 2005  
Date

/s/ Dave B. Spiewak  
Committee Member - Dave B. Spiewak

/s/ Roger L. Hetrick  
Committee Member - Roger L. Hetrick

/s/ Dean R. Zakos  
Committee Member - Dean R. Zakos

**Exhibit 23**

**CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

We consent to the incorporation by reference in Registration Statement No. 333-100772 on Form S-8 of the Modine Manufacturing Company, our report dated June 29, 2005 appearing in this Annual Report on Form 11-K of the Modine 401(k) Retirement Plan for Salaried Employees for the year ended December 31, 2004.

Crowe Chizek and Company LLC  
/s/ Crowe Chizek and Company LLC

Oak Brook, Illinois  
June 29, 2005