MODINE MANUFACTURING CO
Form 11-K
June 28, 2012

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 11-K

(Mark One)

x ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2011.

o TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ________________ to __________________

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

INDEX TO FINANCIAL STATEMENTS, SUPPLEMENTAL SCHEDULE, AND EXHIBITS

NOTE: Supplemental schedules required by the Employee Retirement Income Security Act of 1974 that have not been included herein are not applicable.

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Modine Manufacturing Company Administrative Committee for Modine 401(k) Plans
and Plan participants of the Modine 401(k) Retirement Plan for Salaried Employees
Modine Manufacturing Company
Racine, Wisconsin

We have audited the accompanying statements of net assets available for benefits of the Modine 401(k) Retirement Plan for Salaried Employees (Plan) as of December 31, 2011 and 2010, and the related statement of changes in net assets available for benefits for the year ended December 31, 2011. 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 audit 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, 2011 and 2010, and the changes in net assets available for benefits for the year ended December 31, 2011 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 H, Line 4i - 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 2011 financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic 2011 financial statements taken as a whole.

/s/Crowe Horwath LLP

Oak Brook, Illinois
June 26, 2012

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MODINE 401(K) RETIREMENT PLAN
FOR SALARIED EMPLOYEES

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

December 31, 2011 and December 31, 2010

	2011	2010
ASSETS		
Investments, at fair value (Note 3)		
Participant-directed investments	$119,026,383	$133,055,265
Cash	-	75
Receivables:		
Pending trades	-	16,602
Employer contribution	3,446,318	3,249,779
Participant contribution	141,478	152,233
Notes receivable from participants	736,535	632,167
Accrued interest and dividends	53,507	61,695
Total receivables	4,377,838	4,112,476
Total assets	123,404,221	137,167,816
LIABILITIES		
Accrued Expenses	13,309	14,355
Net assets reflecting all assets at fair value	123,390,912	137,153,461
Adjustment from fair value to contract value for fully benefit-responsive investment contracts	(360,211)	(214,174)
Net assets available for benefits	$123,030,701	$136,939,287

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

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MODINE 401(K) RETIREMENT PLAN
FOR SALARIED EMPLOYEES

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

For the year ended December 31, 2011

Additions:	
Investment and dividend income	
Interest	$417,122
Dividends	1,207,446
Total interest and dividend income	1,624,568
Contributions	
Participant	4,367,289
Employer	3,450,513
Rollover contributions	1,174,512
Total contributions	8,992,314
Total additions	10,616,882
Deductions:	
Net depreciation in investments	
Loss from Master Trust (Note 3)	9,353,571
Net depreciation in fair value of investments	3,670,309
Distributions to participants	11,306,028
Administrative costs	236,840
Total deductions	24,566,748
Net decrease before transfers	13,949,866
Transfers from other Plan (Note 8)	41,280
Net decrease in net assets available for benefits	13,908,586
Net assets available for benefits:	
Beginning of year	136,939,287
End of year	$123,030,701

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, 2011 and 2010

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 and its U.S. subsidiaries ("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 Participant 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 several 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.

The Company makes matching contributions equal to 50% of Participant contributions which did not exceed 5% of total compensation. The Company has the discretion to make an additional contribution and match all or any portion of the Participant's contribution. For the 2011 plan year, the Company contributed $1,099,763 in matching contributions. The matching and discretionary contributions, if any, are invested based on the Participants' investment elections for Participant contributions.

In addition, the Company makes a separate, discretionary contribution annually to the Plan for all salaried employees. The contribution is invested in the same funds in the same proportion as the employee's contributions. If the employee is not contributing to the Plan, the contribution is invested in the Target Date Retirement fund most closely tied to the participant's 65th birthday. For the 2011 plan year, the Company contributed $2,350,750 in discretionary contributions which was equal to 4% of eligible employee compensation.

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, Plan earnings and charged with his or her withdrawals. 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.

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NOTES TO FINANCIAL STATEMENTS, continued

1.Description of Plan, continued

Participants were allowed to put no more than 20% of their payroll contributions into the Modine Stock Fund. Participants with more than 20% or more of their account balance in the Modine Stock Fund were not allowed to transfer any of their balance into the Modine Stock Fund.

D.Vesting

Participants are immediately vested in their voluntary contributions plus actual earnings thereon. Participants become immediately vested upon retirement, death or disability. 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, except as noted in Note 5 where certain employees were fully vested due to a partial plan termination. All Thermacore, Inc. employees who were employed on or before December 31, 2001 were 100% vested in their Matching Account prior to the sale of Thermacore, Inc. on May 1, 2008. A year of vesting credit is granted each anniversary of the employee's hire date.

E.Notes Receivable from Participants

Participants may borrow from their fund accounts a minimum of $1,000 and a maximum of $50,000 or 50 percent of their vested 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 2% for general purpose loans and a 15-year mortgage rate for home loans. 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; provided, however, that 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 of the mortgage on, the primary residence.

H.Forfeited Accounts

Forfeited nonvested accounts are first used to pay Plan expenses. Any remaining forfeitures are used to reduce the Employer Matching Contributions. Forfeitures totaling $44,806 were used to reduce plan year 2011 Employer Matching Contributions. At December 31, 2011 and 2010, there were forfeitures in the amount of $103,320 and $106,375, respectively, available to offset future contributions to the Plan.

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NOTES TO FINANCIAL STATEMENTS, continued

1.Description of Plan, continued

I.Administrative Expenses

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

J.Trustee

As of December 31, 2011 and 2010, the assets of the Plan were held under an Agreement of Trust by Marshall & Ilsley Trust Company N.A. (the “Trustee”), Milwaukee, Wisconsin.

2.Summary of Significant Accounting Policies

A.Basis of Accounting

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

B.Modine Manufacturing Company Stock Master Trust:

A portion of the Plan’s investments are in the Modine Manufacturing Company Stock Master Trust Fund (“Master Trust”) which was established for the investment of assets of the Plan and several other defined contribution plans sponsored by Modine Manufacturing Company. Each participating retirement plan holds units of participation in the Master Trust. The assets of the Master Trust are held by the Trustee. Investments, investment income and administrative expenses relating to the Master Trust are allocated to the individual plans based upon their interests in the participant-directed Modine Company Common Stock Fund.

C.Investment Valuation and Income Recognition

The Plan’s investments are reported at fair value. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.