ENPRO INDUSTRIES, INC
Form 11-K
June 30, 2014

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 (NO FEE REQUIRED)
For the fiscal year ended December 31, 2013

Commission file number: 001-31225

EnPro Industries, Inc.
Retirement Savings Plan for Salaried Employees
5605 Carnegie Boulevard, Suite 500
Charlotte, North Carolina 28209
(Full title of the plan and the address of the plan)

EnPro Industries, Inc.
5605 Carnegie Boulevard, Suite 500
Charlotte, North Carolina 28209
(Name of issuer of the securities held pursuant to the plan and the address of its principal executive office)

ENPRO INDUSTRIES, INC.
RETIREMENT SAVINGS PLAN
FOR SALARIED EMPLOYEES

Financial Statements and Supplemental
Schedule for the Years Ended
December 31, 2013 and 2012
and Report of Independent Registered Public Accounting Firm

TABLE OF CONTENTS


| | Pages |
|---|---|
| REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM | 1 |
| FINANCIAL STATEMENTS: | |
| Statements of Net Assets Available for Benefits as of December 31, 2013 and 2012 | 2 |
| Statements of Changes in Net Assets Available for Benefits for the Years Ended December 31, 2013 and 2012 | 3 |
| Notes to Financial Statements for the Years Ended December 31, 2013 and 2012 | 4 - 12 |
| SUPPLEMENTAL SCHEDULE: | |
| Schedule H, line 4i - Schedule of Assets (Held at End of Year) | 13 |


NOTE: The accompanying financial statements have been prepared for the purpose of filing DOL Form 5500. Supplemental schedules required by Section 2520 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, other than the one listed above, are omitted because of the absence of the conditions under which they are required.

# REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Participants and Administrator of the
EnPro Industries, Inc. Retirement Savings Plan for Salaried Employees
and the EnPro Industries, Inc. Benefits Committee
Charlotte, North Carolina:

We have audited the accompanying statements of net assets available for benefits and the related statements of changes in net assets available for benefits of the EnPro Industries, Inc. Retirement Savings Plan for Salaried Employees (the “Plan”) as of and for the years ended December 31, 2013 and 2012. 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, 2013 and 2012, and the changes in net assets available for benefits for the years then ended in conformity with generally accepted accounting principles in the United States of America.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of 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. This 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 financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ GreerWalker, LLP
June 26, 2014

ENPRO INDUSTRIES, INC.
RETIREMENT SAVINGS PLAN FOR SALARIED EMPLOYEES

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2013 AND 2012

| | 2013 | 2012 |
|---|---|---|
| ASSETS: | | |
| Investments, at fair value | $184,130,288 | $156,762,155 |
| Receivables: | | |
| Participant contributions | | 199,196 |
| Employer contributions | | 199,099 |
| Notes receivable from participants | 3,812,159 | 3,392,642 |
| Total receivables | 3,812,159 | 3,790,937 |
| Cash | | 3,040 |
| TOTAL ASSETS | 187,942,447 | 160,556,132 |
| LIABILITIES: | | |
| Refund of excess contributions | | 58,763 |
| NET ASSETS AVAILABLE FOR BENEFITS | $187,942,447 | $160,497,369 |

See notes to financial statements.

ENPRO INDUSTRIES, INC.
RETIREMENT SAVINGS PLAN FOR SALARIED EMPLOYEES

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

| | 2013 | 2012 |
|---|---|---|
| ADDITIONS: | | |
| Additions to net assets attributed to: | | |
| Net investment income: | | |
| Net appreciation of investments | $27,644,383 | $15,072,498 |
| Interest and dividend income | 4,191,243 | 3,121,913 |
| Net investment income | 31,835,626 | 18,194,411 |
| Interest income on notes receivables from participants | 136,419 | 129,335 |
| Contributions: | | |
| Participants | 8,786,705 | 8,576,725 |
| Employer | 7,409,849 | 7,378,840 |
| Rollovers | 948,916 | 2,980,708 |
| Total contributions | 17,145,470 | 18,936,273 |
| Total additions, net | 49,117,515 | 37,260,019 |
| DEDUCTIONS: | | |
| Deductions from net assets attributed to: | | |
| Benefits paid to participants | 21,781,677 | 17,729,981 |
| Fees and commissions | 181,943 | 130,117 |
| Total deductions | 21,963,620 | 17,860,098 |
| INCREASE IN NET ASSETS AVAILABLE FOR BENEFITS | 27,153,895 | 19,399,921 |
| TRANSFERS OF ASSETS, NET | 291,183 | 3,822,369 |
| NET ASSETS AVAILABLE FOR BENEFITS, BEGINNING OF YEAR | 160,497,369 | 137,275,079 |
| NET ASSETS AVAILABLE FOR BENEFITS, END OF YEAR | $187,942,447 | $160,497,369 |

See notes to financial statements.

ENPRO INDUSTRIES, INC. RETIREMENT SAVINGS PLAN FOR SALARIED EMPLOYEES

NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

1. DESCRIPTION OF PLAN

The following description of the EnPro Industries, Inc. Retirement Savings Plan for Salaried Employees (the "Plan") provides only general information. Participants should refer to the plan document for a more complete description of the Plan's provisions.

General - EnPro Industries, Inc. (the "Company") established the Plan to provide employees with a systematic means of savings and investing for the future. Regular full-time, salaried employees of the Company, as defined by the plan document, are eligible to enroll on their date of hire. Deferrals begin on the first day of the month subsequent to enrollment. Participants that do not enroll in the Plan within 30 days of their hire date are automatically enrolled in the Plan to contribute 6% of their base pay unless they elect out of the Plan. The Plan is a defined contribution Plan subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

Effective February 29, 2012, the Tara Technology 401(k) Profit Sharing Plan (the "Tara Plan") was merged into the Plan and the EnPro Industries, Inc. Retirement Savings Plan for Hourly Employees. Approximately, $3,176,000 of the Tara Plan's assets were transferred into the Plan. Participants that were transferred into the Plan maintained their account balances and vesting status from the Tara Plan and are eligible to fully participate in the Plan.

Salaried Trust - The Charles Schwab Trust Company (the "Trustee" or "Schwab") serves as trustee for the Plan. The Plan's assets are held in the Schwab Directed Employee Benefit Trust (the "Salaried Trust").

Assets of the Plan are allocated to participant accounts based on specific contributions made by each participant and respective matches made by the Company. Investment income (loss) is credited to each account based on appreciation (depreciation) of specific assets held in each participant account and any earnings thereon.

Plan Contributions - Participants may contribute from 1% to 25% of their base pay by means of payroll deductions, subject to certain discrimination tests prescribed by the Internal Revenue Code and other limitations specified in the Plan. For most employees, the Company matches 100% of employee contributions up to 6% of base pay per payroll period. The Company also contributes an additional 2% to certain eligible employees. The Plan also includes a Roth contribution feature.

Participants’ contributions are remitted by the Company to the Trustee at the end of each payroll cycle. Upon determination of participants’ contributions, Company contributions are made to the Trustee in cash. The contributed cash is allocated to individual employee accounts and invested at the participants’ direction.

Participant Accounts - Each participant’s account is credited with the participant’s contributions, allocations of the Company’s matching contributions and investment gains or losses. Allocations of earnings and losses for each fund are based on the ratio of weighted average participant account balances to the total weighted average of all participant account balances. The benefit to which a participant is entitled is the vested benefit that can be provided from the participant’s accounts.

Investment Options - Upon enrollment in the Plan, participants direct the investment of their contributions and Company contributions into various investment options offered by the Plan.

Vesting - Participants are immediately vested in their voluntary contributions, Company contributions, and actual earnings thereon. However, vesting in the additional 2% Company contributions for certain employees who do not participate in the Company’s pension plans is based on years of service. Prior to normal retirement age, a participant’s interest in the additional 2% Company contribution becomes 100% vested after three years of service.

Distributions - Upon retirement, disability or death, a participant or beneficiary receives the entire amount credited to the participant’s account in either a lump sum or, at the participant’s election, in annual installments. Upon termination, other than by retirement, disability or death, a participant becomes eligible to receive the current value of the participant’s vested account in a lump-sum. Distributions from the EnPro Company Stock Fund are made, at the option of the participant, in either cash or shares.

Notes Receivable From Participants - Participants may borrow from their account a minimum amount of $1,000 up to 50% of their vested account balance not to exceed $50,000. Principal and interest are paid ratably through payroll deductions. Loans are repaid over a period not to exceed five years. However, loans for the purchase of a principal residence are repaid over a period of up to twenty-five years. The loans are secured by the balance of the participant's account and bear interest at rates that range from 4.25% to 10% which are commensurate with local prevailing rates in accordance with the Plan document.

Participant Investment Rollovers - Participants are allowed to transfer or rollover funds into the Plan from other qualified plans.

Forfeitures - The non-vested portion of terminated participants’ account balances are used to reduce future Company contributions and to pay plan expenses. As of December 31, 2013 and 2012, forfeited non-vested accounts in the Plan totaled approximately $46,000 and $151,000, respectively. Forfeitures were used to reduce Company contributions by approximately $273,000 and $69,000 during 2013 and 2012, respectively.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting - The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles in the United States of America.

Use of Accounting Estimates - The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect the reported amounts of certain assets, liabilities and disclosures. Accordingly, the actual amounts could differ from those estimates. Any adjustments applied to estimated amounts are recognized in the year in which such adjustments are determined.

Investment Valuation and Income Recognition - As of December 31, 2013 and 2012, the Plan’s investments were held in the Salaried Trust, which is part of a collective trust administered by Schwab. Investments in common/collective trusts and mutual funds held in the Salaried Trust are stated at fair value. The asset value of the EnPro Company Stock Fund is derived from the value of the Company’s common stock. The net appreciation of investments includes realized and unrealized gains and losses on investments held by the Plan. The Plan’s interest in the collective trust is valued based on information reported by Schwab and Wilmington Trust using the audited financial statements of the collective trust as of year-end.

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for disclosure of fair value measurements.

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. Net appreciation of investments includes the Plan’s gains and losses on investments bought and sold as well as held during the year.

Management fees and operating expenses charged to the Plan for investments in mutual funds are deducted from income earned on a daily basis and are not separately reflected. Consequently, management fees and operating expenses are reflected as a reduction of net appreciation of investments.

The change in net unrealized appreciation of investments held from the beginning of the plan year to the end of the plan year is included with realized gains/losses as net appreciation of investments reported in the accompanying Statements of Changes in Net Assets Available for Benefits.

Contributions - Contributions from employees and the Company are recorded in the period in which the Company makes the payroll deductions from participant earnings.

Notes Receivable From Participants - Notes receivables from Participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent participant loans are reclassified as distributions based upon the terms of the plan document.

Benefits - Benefits are recorded when paid.

Expenses - Certain of the Plan's administrative expenses are paid by the Company. Other expenses, such as legal and accounting, are paid from Plan assets and deducted from participant accounts in accordance with the plan document.

Reclassifications - Certain amounts in the 2012 financial statements have been reclassified to conform with 2013 presentation. Such reclassifications had no effect on the previously reported increase in net assets available for benefits.

Subsequent Events - In preparing its financial statements, the Company has evaluated subsequent events through June 26, 2014, which is the date the financial statements were available to be issued for 2013.

3. INVESTMENTS

The Plan's investment assets are held in trust and administered by Schwab.

The fair values of investments that represented 5% or more of the Plan's net assets available for benefits as of December 31, 2013 and 2012, are as follows:

| | 2013 | 2012 |
|---|---|---|
| Schwab S&P 500 Index Fund | $29,281,136 | $13,012,163 |
| PIMCO Total Return Fund | $19,050,234 | $23,056,730 |
| Galliard Retirement Income Fund | $18,169,659 | $19,477,797 |
| Dodge & Cox Stock Fund | $13,588,407 | $9,722,120 |