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FEDERAL SIGNAL CORP /DE/  
Form 11-K  
June 28, 2004

Securities and Exchange Commission  
Washington, D.C. 20549  
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Form 11-K

Annual Report Pursuant to Section 15 (d) of the Securities Exchange Act  
of 1934  
For the fiscal year ended December 31, 2003

OR

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

Commission file number 1-6003

Federal Signal Corporation 401(K) Retirement Plan  
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(Full title of the plan and address of the plan if  
different from that of the issuer named below)

Federal Signal Corporation  
1415 West 22nd Street, Suite 1100  
Oak Brook, Illinois 60523  
-----

(Name of issuer of the securities held pursuant to the  
plan and the address of its principal executive office)

FEDERAL SIGNAL CORPORATION  
401(K) RETIREMENT PLAN

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FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULE AS OF DECEMBER 31, 2002  
AND 2001 AND DECEMBER 30, 2001 AND FOR THE YEAR ENDED DECEMBER 31, 2002,  
THE ONE DAY ENDED DECEMBER 31, 2001 AND THE YEAR ENDED DECEMBER 30, 2001

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FEDERAL SIGNAL CORPORATION  
401(K) RETIREMENT PLAN

FINANCIAL STATEMENTS AND  
SUPPLEMENTAL SCHEDULE  
AS OF AND FOR  
THE YEAR ENDED DECEMBER 31, 2003

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INDEPENDENT AUDITOR'S REPORT

To the Administrative Committee

FEDERAL SIGNAL CORPORATION 401(K) RETIREMENT PLAN

We have audited the accompanying statement of net assets available for benefits of the Federal Signal Corporation 401(k) Retirement Plan (the "Plan") as of December 31, 2003, and the related statement of changes in net assets available for benefits for the year then ended. 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 audit.

We conducted our audit in accordance with 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 audit provides 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, 2003, and the changes in its net assets available for benefits for the year then ended 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 accompanying supplemental schedule is presented for the purpose of additional analysis and is not a required part of the basic financial statements, but is 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/ MAYER HOFFMAN McCANN P.C.

Chicago, Illinois  
June 4, 2004

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FEDERAL SIGNAL CORPORATION 401(K) RETIREMENT PLAN

STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS

December 31, 2003

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ASSETS

Investments, at fair value:	
Vanguard Wellington Fund	\$ 17,987,510
Vanguard Explorer Fund	11,441,509
Vanguard 500 Index Fund	38,330,719
Vanguard PRIMECAP Fund	38,107,437
Vanguard Retirement Savings Trust	49,952,265
Federal Signal Corporation common stock	30,874,864
Vanguard International Growth Fund	1,680,037
Vanguard Total Bond Market Index Fund	4,220,422
	-----
	192,594,763
Participants' loans receivable	4,808,339
	-----
	197,403,102
	-----
Receivables:	
Employer contributions	4,072,580
Participants' contributions	845,914
	-----
	4,918,494
	-----
NET ASSETS AVAILABLE FOR BENEFITS	\$202,321,596
	=====

See Notes to Financial Statements

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FEDERAL SIGNAL CORPORATION 401(K) RETIREMENT PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

Year Ended December 31, 2003

ADDITIONS

Additions to net assets attributed to:	
Net appreciation in fair value of investments	\$ 23,166,798
Transfer of assets from plan mergers	3,631,651
Interest and dividends	5,120,157
	-----
	31,918,606
	-----
Contributions:	
Employer	5,144,079
Participants	11,733,827
	-----
	16,877,906
	-----
TOTAL ADDITIONS	48,796,512
	-----

DEDUCTIONS

Deductions from net assets attributed to:

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Benefits paid to participants	(20,234,308)
Administrative expenses	(16,788)
	-----
TOTAL DEDUCTIONS	(20,251,096)
	-----
NET INCREASE	28,545,416
NET ASSETS AVAILABLE FOR BENEFITS - BEGINNING OF YEAR	173,776,180
	-----
NET ASSETS AVAILABLE FOR BENEFITS - END OF YEAR	\$202,321,596
	=====

See Notes to Financial Statements

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FEDERAL SIGNAL CORPORATION 401(K) RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

(1) DESCRIPTION OF PLAN

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

GENERAL - The Plan is a defined contribution plan covering a majority of the employees of Federal Signal Corporation (the "Company"). Employees are eligible on the first day of the calendar quarter after completing three months of service. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"). On January 1, 2002, the Plan sponsor adopted the Vanguard Qualified Retirement Plan and Trust Defined Contribution Basic Plan Document 01 (the "Prototype Plan"). The Plan is sponsored by the Company.

CONTRIBUTIONS - Participants at most divisions can contribute up to 40% of pretax annual compensation, as defined in the Plan, and after-tax contributions of up to 6%. Participants may also transfer amounts representing distributions from other qualified defined benefit or contribution plans. Company contributions are based on a percentage of employee contributions or as a discretionary amount based on eligible employee compensation and/or hours/months worked. Effective April 1, 2003, the Company suspended its contributions for the ClappDico division employees.

The Plan provides for an employee stock ownership feature wherein all employer contributions are invested in Company stock. However, the participants are allowed to transfer their funds out of Company stock at any time. The Plan also provides for the participants to have the option of receiving Company stock dividends in cash instead of having the dividends automatically reinvested in the Plan.

PARTICIPANT ACCOUNTS - Each participant's account is credited with the participant's contribution and allocations of (a) the Company's contribution and (b) Plan earnings and is charged with an allocation of investment management fees and, for terminated employees, administrative expenses. Allocations are based on participant earnings or account

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balances, as defined. Forfeited balances of terminated participants' nonvested accounts are used to reduce future Company contributions depending on the division. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

VESTING - Participants are immediately vested in their contributions plus actual earnings thereon. Vesting in the Company's matching and discretionary pension contribution portion of their accounts plus actual earnings thereon is based on years of continuous service. A participant is 100% vested after three years of credited service, except for the participants from the Emergency One and Victor Products divisions, who are immediately vested in the Company's discretionary pension contribution. Participants are immediately vested in the dividends from Company stock that were paid to the Plan and reinvested in Company stock at the participant's election.

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### FEDERAL SIGNAL CORPORATION 401(K) RETIREMENT PLAN

#### NOTES TO FINANCIAL STATEMENTS

##### (1) DESCRIPTION OF PLAN (CONTINUED)

INVESTMENT OPTIONS - Upon enrollment in the Plan, a participant may direct employee contributions in 5% increments in a variety of investment choices at Vanguard Fiduciary Trust Company ("Vanguard") including the Company's common stock. Participants may change their investment by calling Vanguard. All Company contributions are invested in Company stock. The participants have the option of transferring balances from Company stock to other investment choices without restriction.

PARTICIPANT LOANS - Participants may borrow from their own contributions a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their account balance (excluding employer contributions). Loan transactions are treated as a transfer to (from) the investment fund from (to) the participant loan fund. Loans are required to be repaid within five years, with the exception that a loan which is used to acquire a principal residence may be repaid within ten years. The loans are secured by the balance in the participant's account and bear interest at a rate of prime plus one percent. Principal and interest are paid ratably through payroll deductions.

PAYMENT OF BENEFITS - Participants are eligible to receive the vested portion of their plan account upon retirement, termination of employment, or total and permanent disability. Payment will generally be made in a lump sum.

FORFEITED ACCOUNTS - As of December 31, 2003, forfeited nonvested accounts totaled \$51,201. These accounts are used to reduce future employer contributions. Also, during the year ended December 31, 2003, employer contributions were reduced by \$34,601 from forfeited nonvested accounts.

##### (2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING - The financial statements of the Plan are prepared under the accrual method of accounting.

ESTIMATES - The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires the plan administrator to make estimates and assumptions that affect certain

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reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

INVESTMENT VALUATION AND INCOME RECOGNITION - Shares of mutual funds are valued at quoted market prices which represent the net asset value of shares held by the Plan at year end. Values for the Company's common stock are based on the December 31, 2003, closing price.

ACCOUNTING METHOD - Security transactions are accounted for on the date securities are purchased or sold (trade date). Dividend income is recorded on the ex-dividend date. Interest income is recognized when earned. Net realized and unrealized appreciation is recorded in the accompanying financial statements as net realized and unrealized gains (losses) in fair value of investments. Contributions are recognized based on payroll dates and accrued if applicable.

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### FEDERAL SIGNAL CORPORATION 401(K) RETIREMENT PLAN

#### NOTES TO FINANCIAL STATEMENTS

##### (2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

PAYMENT OF BENEFITS - Benefits are recorded when paid.

FEES - Investment advisory fees for portfolio management of Vanguard funds are paid directly from fund earnings. Purchase fees, if applicable, are paid by the participants investing in those funds which are subject to such fees.

##### (3) RELATED PARTY TRANSACTIONS

Substantially all assets of the Plan are held in trust by Vanguard, trustee for the Plan. Administrative and trustee fees in the amount of \$144,359 were paid during the year ended December 31, 2003, by the Company.

The Plan has no reportable transactions with nonexempt parties-in-interest as defined by the Department of Labor for the year ended December 31, 2003.

##### (4) PLAN MERGERS

Allied Tool Products, Inc. is a wholly owned subsidiary of the Company and the sponsor of the Allied Tool Products, Inc. Profit Sharing & 401(k) Plan (the "Allied Plan"). On August 1, 2003, the Allied Plan was merged into the Plan. On August 28, 2003, the assets of the Allied Plan were transferred into the Plan's trust. On the date of the transfer, the net assets of the Allied Plan were valued at \$536,391.

PCS Company is a wholly owned subsidiary of the Company and the sponsor of the PCS Company 401(k) Plan (the "PCS Plan"). On August 1, 2003, the PCS Plan was merged into the Plan. On August 27, 2003, the assets of the PCS Plan were transferred into the Plan's trust. On the date of the transfer, the net assets of the PCS Plan were valued at \$1,320,637.

Leach Company is a wholly owned subsidiary of the Company and the sponsor of the Leach Company 401(k) Plan (the "Leach Plan"). On August 1, 2003, the Leach Plan was merged into the Plan. On August 15, 2003, the assets of the Leach Plan were transferred into the Plan's trust. On the date of the

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transfer, the net assets of the Leach Plan were valued at \$1,774,623.

(5) TAX STATUS

The Internal Revenue Service ("IRS") issued a favorable opinion letter dated August 22, 2001, for the Prototype Plan, which was adopted by the Plan sponsor on January 1, 2002. The IRS letter states that the Prototype Plan is acceptable under the applicable sections of the Internal Revenue Code ("IRC"). The IRS issued favorable determination letters dated July 31, 1996 and April 1, 2003, which state that the Plan and related trust are designed in accordance with applicable sections of the IRC.

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FEDERAL SIGNAL CORPORATION 401(K) RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS

(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. In the event of Plan termination, participants would become 100% vested in their accounts.

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SUPPLEMENTAL SCHEDULE

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FEDERAL SIGNAL CORPORATION 401(K) RETIREMENT PLAN

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

December 31, 2003

EIN: 36-1063330  
Plan Number: 003

(a)	(b)	(c) Description of investments including maturity date, rate of interest, collateral, par or maturity value	(d) Cost
Identity of issue, borrower, lessor, or similar party			
*	Vanguard Wellington Fund	Registered Investment Company	\$ 16,88
*	Vanguard Explorer Fund	Registered Investment Company	10,21
*	Vanguard 500 Index Fund	Registered Investment Company	32,40
*	Vanguard PRIMECAP Fund	Registered Investment Company	32,98



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*	Vanguard Retirement Savings Trust	Common/Collective Trust	49,95
*	Federal Signal Corporation common stock	Common Stock	32,35
*	Vanguard International Growth Fund	Registered Investment Company	1,67
*	Vanguard Total Bond Market Index Fund	Registered Investment Company	4,18
*	Participants' loans receivable	Interest at Rates from 5.25% to 10.5%	
			----- \$ 180,65 =====

\* Party-in-interest as defined by ERISA

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FEDERAL SIGNAL CORPORATION  
401(K) RETIREMENT PLAN  
  
FINANCIAL STATEMENTS AND  
SUPPLEMENTAL SCHEDULE  
AS OF  
DECEMBER 31, 2002 AND 2001  
AND DECEMBER 30, 2001  
AND FOR  
THE YEAR ENDED DECEMBER 31, 2002,  
THE ONE DAY ENDED DECEMBER 31, 2001  
AND THE YEAR ENDED DECEMBER 30, 2001

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INDEPENDENT AUDITOR'S REPORT

Plan Administrator  
Federal Signal Corporation  
401(k) Retirement Plan

We have audited the accompanying statement of net assets available for benefits of Federal Signal Corporation 401(k) Retirement Plan as of December 31, 2002 and 2001, and December 30, 2001, and the related statement of changes in net assets available for the benefits for the year ended December 31, 2002, the one day ended December 31, 2001, and the year ended December 30, 2001. 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

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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, 2002 and 2001, and December 30, 2001, and the changes in net assets available for benefits for the year ended December 31, 2002, the one day ended December 31, 2001, and the year ended December 30, 2001, in conformity with U.S. generally accepted accounting principles.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying supplemental schedule of assets held for investment purposes at year end is presented for the purposes 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 has been subjected to the auditing procedures applied in the audits 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/PHILIP ROOTBERG & COMPANY, LLP

Chicago, Illinois  
June 6, 2003

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FEDERAL SIGNAL CORPORATION  
401(K) RETIREMENT PLAN  
STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS

	DECEMBER 31,		DECEMBER 31,
	2002	2001	2001

ASSETS

Contributions receivable from:			
Federal Signal Corporation	\$ 4,471,714	\$ 4,227,198	\$ 4,227,198
Participants	803,498	810,813	810,813
Dividends and interest receivable	--	--	--
Investments at fair value:			

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Vanguard Wellington Fund	14,483,522	14,791,764	14,
Vanguard Explorer Fund	7,229,626	8,805,379	8,
Vanguard Index 500 Portfolio	31,163,151	40,100,536	40,
Vanguard Primecap Fund	28,008,881	37,497,010	37,
Vanguard Retirement Savings Trust	49,537,397	44,955,583	44,
Federal Signal Corporation Common stock	28,672,576	32,432,843	33,
Vanguard International Growth Fund	921,972	1,046,317	1,
Vanguard Total Bond Market Index Fund	3,687,088	1,760,428	1,
Participant Loan Fund	4,796,755	4,997,564	4,
	-----	-----	-----
NET ASSETS AVAILABLE FOR BENEFITS	\$173,776,180	\$191,425,435	\$193,
	=====	=====	=====

See accompanying notes to financial statements

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FEDERAL SIGNAL CORPORATION  
401(K) RETIREMENT PLAN  
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

	YEAR ENDED DECEMBER 31, 2002	ONE DAY ENDED DECEMBER 31, 2001
-----		
ADDITIONS		
Contributions from employer	\$ 5,631,913	\$ --
Contributions from participants	11,809,228	--
Transfer of assets from plan mergers	--	--
Interest and dividends	4,932,726	6,852
Net realized and unrealized gains (losses) in fair value of investments:		
Mutual funds	(23,083,082)	(1,201,292)
Common stock	(3,685,323)	(654,690)
	-----	-----
	(4,394,538)	(1,849,130)
	-----	-----
DEDUCTIONS		
Withdrawals by participants	(13,235,795)	(1,714)
Other	(18,922)	--
	-----	-----
	(13,254,717)	(1,714)

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	-----	-----
NET ADDITIONS (DEDUCTIONS)	(17,649,255)	(1,850,844)
NET ASSETS AVAILABLE FOR BENEFITS - BEGINNING OF PERIOD	191,425,435	193,276,279
	-----	-----
NET ASSETS AVAILABLE FOR BENEFITS - END OF PERIOD	\$ 173,776,180	\$ 191,425,435
	=====	=====

See accompanying notes to financial statements

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FEDERAL SIGNAL CORPORATION  
401(K) RETIREMENT PLAN  
NOTES TO FINANCIAL STATEMENTS

-----  
DECEMBER 31, 2002 AND 2001, AND DECEMBER 30, 2001  
-----

1 - SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting - The accompanying financial statements are prepared on the accrual basis of accounting.

Estimates - The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires the plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Valuation of Investments - Shares of registered investment companies are valued at quoted market prices which represent the net asset value of shares held by the Federal Signal Corporation 401(k) Retirement Plan ("Plan"). Values for Federal Signal Corporation ("Company") common stock are based on the December 31, 2002 and 2001, and December 30, 2001, closing prices.

Accounting Method - Security transactions are accounted for on the date securities are purchased or sold (trade date). Dividend income is recorded on the ex-dividend date. Interest income is recognized when earned. Net realized and unrealized appreciation is recorded in the accompanying financial statements as net realized and unrealized gains (losses) in fair value of investments. Contributions are recognized based on payroll dates and accrued if applicable.

Fees - Investment advisory fees for portfolio management of Vanguard Funds are paid directly from fund earnings and will not reduce assets of the Plan. Purchase fees, if applicable, are paid by the participants investing

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in those funds which are subject to such fees.

### 2 - DESCRIPTION OF PLAN

The following description of the Plan provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General - The Plan is a defined contribution plan covering a majority of the Company's employees who have three months of service. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"). On April 1, 1994, the Plan sponsor adopted the Vanguard Prototype 401(k) Savings Plan. On January 1, 2002, the Plan sponsor restated the Plan by adopting the Vanguard Qualified Retirement Plan and Trust Defined Contribution Basic Plan Document 01. The Plan is sponsored by the Company.

Contributions - In 2001, participants at most divisions were able to contribute up to 15% of pretax annual compensation, as defined in the Plan, and after-tax contributions of up to 6% of compensation, limited to a maximum employer and employee contribution of 23% as defined in the Plan. Commencing January 1, 2002, participants at most divisions can contribute up to 40% of pretax annual compensation, as defined in the Plan, and after tax contributions of up to 6%. Participants may also transfer amounts representing distributions from other qualified defined benefit or contribution plans. Company contributions are based on a percentage of employee contributions or as a discretionary amount based on eligible employee compensation and/or hours/months worked.

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FEDERAL SIGNAL CORPORATION  
401(K) RETIREMENT PLAN  
NOTES TO FINANCIAL STATEMENTS

-----  
DECEMBER 31, 2002 AND 2001, AND DECEMBER 30, 2001  
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Effective June 1, 2002, the Plan was amended to add an employee stock ownership feature wherein all employer contributions are invested in Company stock. However, the participants are allowed to transfer their funds out of Company stock at any time. The amendment also provides for the participants to have the option of receiving Company stock dividends in cash instead of having the dividends automatically reinvested in the Plan.

Participant Accounts - Each participant's account is credited with the participant's contribution and allocations of (a) the Company's contribution and (b) plan earnings and is charged with an allocation of investment management fees and, for terminated employees, administrative expenses. Allocations are based on participant earnings or account balances, as defined. Forfeited balances of terminated participants' nonvested accounts are used to reduce future Company contributions depending on the division. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting - Participants are immediately vested in their contributions plus actual earnings thereon. Vesting in the Company's matching and

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discretionary contribution portion of their accounts plus actual earnings thereon is based on years of continuous service. A participant is 100% vested after three years of credited service, except for the participants from the Emergency One division, who are immediately vested in the Company's discretionary contribution. Commencing July 1, 2002, participants are immediately vested in the dividends from Company stock that were paid to the Plan and reinvested in Company stock at the participant's election.

Investment Options - Upon enrollment in the Plan, a participant may direct employee contributions in 5% increments in a variety of investment choices at Vanguard Fiduciary Trust Company ("Vanguard") including the Company's common stock. Participants may change their investment by calling Vanguard. Commencing July 1, 2002, all Company contributions are invested in Company stock. The participants have the option of transferring balances from Company stock to other investment choices without restriction.

Participant Notes Receivable - Participants may borrow from their own contributions a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their account balance. Loan transactions are treated as a transfer to (from) the investment fund from (to) the participant loan fund. Loans are required to be repaid within five years, with the exception that a loan which is used to acquire a principal residence may be repaid within ten years. The loans are secured by the balance in the participant's account and bear interest at a rate of prime plus one percent. Principal and interest are paid ratably through payroll deductions.

Payment of Benefits - Participants are eligible to receive the vested portion of their plan account upon retirement, termination of employment, or total and permanent disability. Payment will generally be made in a lump sum.

Forfeited Accounts - As of December 31, 2002 and 2001, and December 30, 2001, forfeited nonvested accounts totaled \$39,308, \$42,889 and \$43,322, respectively. These accounts are used to reduce future employer contributions. Also, during the years ended December 31, 2002 and December 30, 2001, employer contributions were reduced by \$42,889 and \$38,062, respectively, from forfeited nonvested accounts.

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FEDERAL SIGNAL CORPORATION  
401(K) RETIREMENT PLAN  
NOTES TO FINANCIAL STATEMENTS

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DECEMBER 31, 2002 AND 2001, AND DECEMBER 30, 2001  
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### 3 - NON-PARTICIPANT-DIRECTED INVESTMENTS

In accordance with the adoption of Statement of Position 99-3, "Accounting for and Reporting of Certain Defined Contribution Plan Investments and Other Disclosure Matters," the following information about net assets and the significant components of changes in net assets available for benefits relating to non-participant-directed investments is being disclosed:

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	December 31,		December 30,
	2002	2001	2001
<b>Net Assets:</b>			
Contribution receivable from Federal Signal Corporation	\$ --	\$ 1,917,434	\$ 1,917,434
Dividend receivable Federal Signal Corporation common stock	--	--	82,126
	--	9,943,315	10,062,109
	\$ --	\$11,860,749	\$12,061,669
		One Day Ended December 31,	Year Ended December 30,
	Year Ended December 31,	December 31,	December 30,
	2002	2001	2001
<b>Changes in Net Assets:</b>			
Contributions from employer	\$ 213,192	\$ --	\$ 2,637,013
Interest and dividends	89,178	--	244,012
Net realized and unrealized gains (losses)	510,981	(200,920)	1,422,373
Withdrawals by participants	(877,033)	--	(1,022,056)
Reclassified to participant-directed investments	(11,797,067)	--	(1,381,451)
Net Additions (Deductions)	\$ (11,860,749)	\$ (200,920)	\$ 1,899,891

4 - RELATED PARTY TRANSACTIONS

Substantially all assets of the Plan are held in trust by Vanguard, trustee for the Plan. Administrative and trustee fees in the amount of \$167,743 and \$103,810, respectively, were paid during the years ended December 31, 2002 and December 30, 2001, by the Company.

The Plan has no reportable transactions with nonexempt parties-in-interest as defined by the Department of Labor for the year ended December 31, 2002, the one day ended December 31, 2001, and the year ended December 30, 2001.

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FEDERAL SIGNAL CORPORATION  
401(K) RETIREMENT PLAN  
NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2002 AND 2001, AND DECEMBER 30, 2001

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### 5 - PLAN MERGER

The Company purchased Dico Corporation in 1994 and, as a result of the acquisition, the Dico Corporation 401(k) Plan ("Dico Plan") was effectively merged into the Plan on December 31, 1994. The Dico Plan assets consisted of insurance contracts that expired in 2001 and participant loans. Nationwide Insurance Company administered the insurance contracts, participant loans and participant accounts through October 16, 2001, at which time the assets were transferred to the Plan's trust. On the date of the transfer, the net assets of the Dico Plan were valued at \$446,006.

### 6 - INCOME TAX STATUS

The Internal Revenue Service ("IRS") issued a favorable opinion letter dated September 7, 1994, for the Vanguard Prototype 401(k) Savings Plan, which was adopted by the Plan sponsor on April 1, 1994. The IRS issued a favorable opinion letter dated August 22, 2001, for the Vanguard Qualified Retirement Plan and Trust Defined Contribution Basic Plan Document 01, which was adopted by the Plan sponsor on January 1, 2002. The IRS letters state that the prototype plans are acceptable under the applicable sections of the Internal Revenue Code ("IRC"). The IRS issued favorable determination letters dated July 31, 1996, and April 1, 2003, which state that the Plan and related trust are designed in accordance with applicable sections of the IRC.

### 7 - PLAN TERMINATION

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. In the event of Plan termination, participants will become 100% vested in their accounts. The Company has not expressed any intent to terminate the Plan. However, effective April 1, 2003, the Company has discontinued the Company contributions for the ClappDico division employees.



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FEDERAL SIGNAL CORPORATION 401(K) RETIREMENT PLAN  
 SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS HELD  
 FOR INVESTMENT PURPOSES

-----  
 DECEMBER 31, 2002  
 -----

EIN: 36-1063330

PN: 003

(a)	(b) IDENTITY OF ISSUE	(c) DESCRIPTION OF INVESTMENT	(d) COST
-----	-----	-----	-----
*	Vanguard Wellington Fund	Registered Investment Company	\$16,082,240
*	Vanguard Explorer Fund	Registered Investment Company	9,434,994
*	Vanguard Index 500 Portfolio	Registered Investment Company	33,180,526
*	Vanguard Primecap Fund	Registered Investment Company	33,562,089
*	Vanguard Retirement		

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	Savings Trust	Common/Collective Trust	49,537,397
*	Federal Signal Corporation Common Stock	Common Stock	29,516,008
*	Vanguard International Growth Fund	Registered Investment Company	1,358,528
*	Vanguard Total Bond Market Index Fund	Registered Investment Company	3,597,555
*	Participant Loan Fund	Interest at Rates from 5.25% to 10.5%	--

\* A party-in-interest as defined by ERISA.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Plan Administrative Committee has duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

June 28, 2004

FEDERAL SIGNAL CORPORATION  
401(K) RETIREMENT PLAN

By: /s/ Robert D. Welding  
-----  
Robert D. Welding  
Plan Administrative Committee

By: /s/ Jennifer L. Sherman  
-----  
Jennifer L. Sherman  
Plan Administrative Committee

By: /s/ Paul J. Wittig  
-----  
Paul J. Wittig  
Plan Administrative Committee

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EXHIBIT INDEX

Exhibit No. -----	Description -----
23.1	Consent of Independent Auditors

23.2

Consent of Independent Auditors

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