



April 16, 2015

Modine Announces Conditional Plans to Close Washington, Iowa Manufacturing Facility

RACINE, Wis., April 16, 2015 /PRNewswire/ -- **Modine Manufacturing Company** (NYSE: MOD), a diversified global leader in thermal management technology and solutions, today announced conditional plans to close its manufacturing plant in Washington, Iowa. The decision is dependent upon the conclusion of bargaining with the union at the Washington facility. The closure would impact approximately 245 full-time employees. This action reflects Modine's proactive focus on operating scale production facilities across the globe in order to remain cost-competitive.



The Washington plant makes liquid charge air coolers, plate oil coolers and fuel coolers for the automotive, commercial vehicle, and off-highway markets. Modine plans to transfer the Washington production to other facilities in North America, including those in Nuevo Laredo, Mexico; Joplin, Missouri; and Jefferson City, Missouri. Plans call for the plant to close over an approximate 24-month period.

"Closing operations is never easy," said Scott Wollenberg, Regional Vice President - Americas. "However, our analysis of Modine's global product lines and North American manufacturing strategy led us to conclude that the best long-term solution for Modine and its shareholders is to consolidate all the Washington products into other North American facilities. Closing the Washington plant will help us rationalize production, maintain the scale we need in our manufacturing operations and improve our overall competitiveness and profitability. We are committed to making the transition as seamless as possible for our customers and to assisting our affected employees during the transition."

Financial Impact

In connection with this upcoming closure, the Company expects to incur a charge of approximately \$2.0 million in the first quarter of its 2016 fiscal year, primarily related to anticipated severance payments. In addition to temporary inefficiencies, the Company expects to incur total closure costs of approximately \$3.0 million over the entire closure period. The Company anticipates it will generate annual savings of at least \$9.0 million once the closure is completed in fiscal 2018. In addition to achieving savings, the Company anticipates that this consolidation will result in additional revenue opportunities and growth in vehicular markets due to the more competitive cost structure.

About Modine

Modine, with fiscal 2014 revenues of \$1.48 billion, specializes in thermal management systems and components, bringing highly engineered heating and cooling technology and solutions to diversified global markets. Modine products are used in light, medium and heavy-duty vehicles, heating, ventilation and air conditioning equipment, off-highway and industrial equipment and refrigeration systems. Modine is a global company headquartered in Racine, Wisconsin (USA), with operations in North America, South America, Europe, Asia and Africa. For more information about Modine, visit www.modine.com.

Forward-Looking Statements

This press release contains statements, including information about future financial performance accompanied by phrases such as "believes," "estimates," "expects," "plans," "anticipates," "intends," and other similar "forward-looking" statements, as defined in the Private Securities Litigation Reform Act of 1995. Modine's actual results, performance or achievements may differ materially from those expressed or implied in these statements because of certain risks and uncertainties, including, but not limited to, those described under "Risk Factors" in Item 1A of Part I of the company's Annual Report on Form 10-K for the year ended March 31, 2014 and under Forward-Looking Statements in Item 7 of Part II of that same report and in the company's Quarterly Reports on Form 10-Q for the quarters ended June 30, 2014, September 30, 2014 and December 31, 2014. Other risks and uncertainties include, but are not limited to, our ability to complete the transition of Washington production to other facilities efficiently and effectively and achieve the anticipated benefits, and other risks and uncertainties identified by the company in public filings with the U.S. Securities and Exchange Commission. The company does not assume

any obligation to update any forward-looking statements.

Logo - <http://photos.prnewswire.com/prnh/20150203/173276LOGO>

To view the original version on PR Newswire, visit: <http://www.prnewswire.com/news-releases/modine-announces-conditional-plans-to-close-washington-iowa-manufacturing-facility-300067496.html>

SOURCE Modine Manufacturing Company

News Provided by Acquire Media