Always Innovating. Always Improving.

FIRST QUARTER FISCAL 2022

August 5th, 2021, 8:00 AM CDT

NEIL BRINKER

President and Chief Executive Officer

MICK LUCARELI

Executive Vice President and Chief Financial Officer

KATHY POWERS

Vice President, Treasury, Investor Relations and Tax

Forward-Looking Statements

This presentation contains statements, including information about future financial performance and market conditions, 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, 2021. Other risks and uncertainties include, but are not limited to, the following: the impact of the COVID-19 pandemic on the national and global economy, our business, suppliers, customers, and employees; the overall health and price-down focus of Modine's customers; our ability to successfully execute our strategic and operational plans, including our ability to successfully complete the pending sale of our liquid-cooled automotive business, including the receipt of governmental and third-party approvals and the risk that the sale will not close because of a failure to satisfy one or more of the closing conditions (including governmental and third-party approvals) on a timely basis or at all, and our ability to successfully exit our other automotive businesses; our ability to effectively and efficiently modify our cost structure in response to sales volume increases or decreases and complete restructuring activities and realize benefits thereon; our ability to comply with the financial covenants in our credit agreements and to fund our global liquidity requirements efficiently; operational inefficiencies as a result of program launches, unexpected volume increases, product transfers, and delays or inefficiencies resulting from restrictions imposed in response to the COVID-19 pandemic; economic, social and political conditions, changes and challenges in the markets where Modine operates and competes, including foreign currency exchange rate fluctuations, tariffs (and potential trade war impacts resulting from tariffs or retaliatory actions), inflation, changes in interest rates or tightening of the credit markets, recession, restrictions associated with importing and exporting and foreign ownership, public health crises, supplier constraints and the general uncertainties about the impact of regulatory and/or policy changes, including those related to tax and trade, the COVID-19 pandemic and other matters, that have been or may be implemented in the U.S. or abroad, and continuing uncertainty regarding the impacts of "Brexit"; the impact on Modine of any significant increases in commodity prices, particularly aluminum, copper, steel and stainless steel (nickel) and other purchased components and related costs, and our ability to adjust product pricing in response to any such increases; the nature of and Modine's significant exposure to the vehicular industry and the dependence of this industry on the health of the economy; Modine's ability to recruit and maintain talent in managerial, leadership, operational and administrative functions; Modine's ability to protect its proprietary information and intellectual property from theft or attack; the impact of any substantial disruption or material breach of our information technology systems; costs and other effects of environmental investigation, remediation or litigation; and other risks and uncertainties identified by the Company in public filings with the U.S. Securities and Exchange Commission. Forward-looking statements are as of the date of this presentation, and the Company does not assume any obligation to update any forward-looking statements.

Highlights

- Automotive Exit Strategy
  - Voluntarily withdrew German regulatory filing
  - Revised transaction perimeter to address antitrust concerns
  - Submitted a revised regulatory filing which is under review
  - Cannot provide estimate of timing or guarantee an outcome
- Robust Business Environment Creating Inflationary Challenges
  - Metals prices have continued to rise
  - Working through temporary supply chain issues
- Recently Announced Leadership Changes
  - Adrian I. Peace named VP- Commercial & Industrial Solutions
  - Eric S. McGinnis named VP- Building HVAC
  - Both have more than 25 years of global industrial leadership experience and track records of driving profitable growth

First Quarter Financial Summary

Net Sales
$494.6 million
+42% YoY

Adjusted EBITDA*
$33.3 million
+62% YoY
6.7% margin

Adjusted EPS*
$0.20

Key Drivers of $12.8M Adj. EBITDA Increase

Volume Conversion: $31 million
Good gross profit conversion based on stronger sales volumes in all four business units

Net Material Impact: $13 million
Significant metals inflation, net of pricing pass-through agreements, along with higher logistics costs (freight/tariffs/packaging)

Manufacturing Efficiency: $1 million
Strong operating performance to offset inflationary pressure, especially direct labor costs

SG&A: $8 million
Increase due to the impact of prior year COVID savings, along with resumption of normal business activities

FX: $2 million

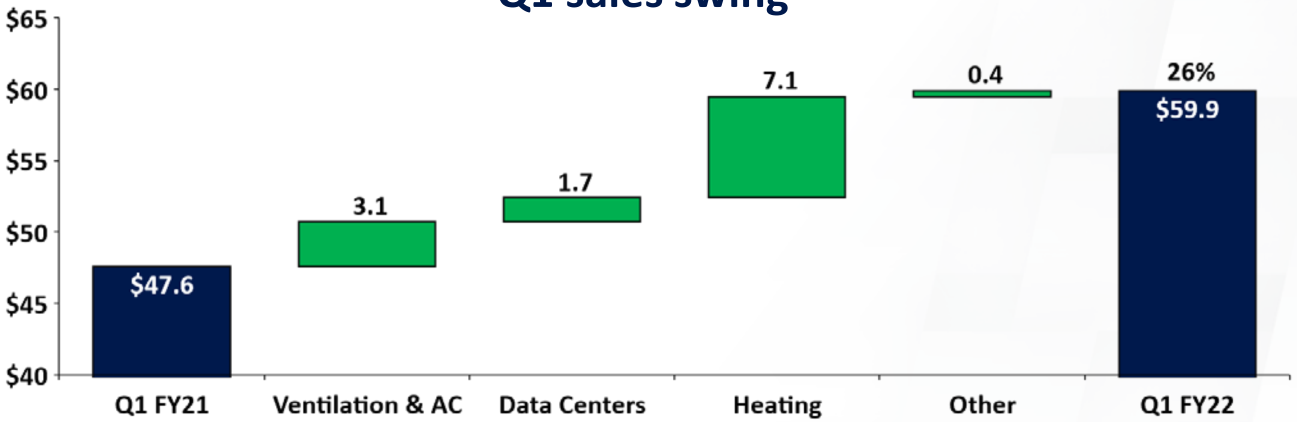
* See Appendix for the full GAAP income statement and Non-GAAP reconciliations

Building HVAC

Net Sales
$59.9 million
26% YoY

Adjusted EBITDA*
$7.7 million
3% YoY
12.9% margin

Q1 sales swing



Highlights

- Strong heating and ventilation sales; data center orders remain strong, in line with full-year growth targets
- Gross margin down year-over-year due to higher metals cost and the non-recurrence of temporary COVID cost reductions
- Adjusted EBITDA margin was further pressured by the lack of COVID cost reductions and incremental SG&A resources in support of data center market penetration

* See Appendix for the full GAAP income statement and Non-GAAP reconciliations

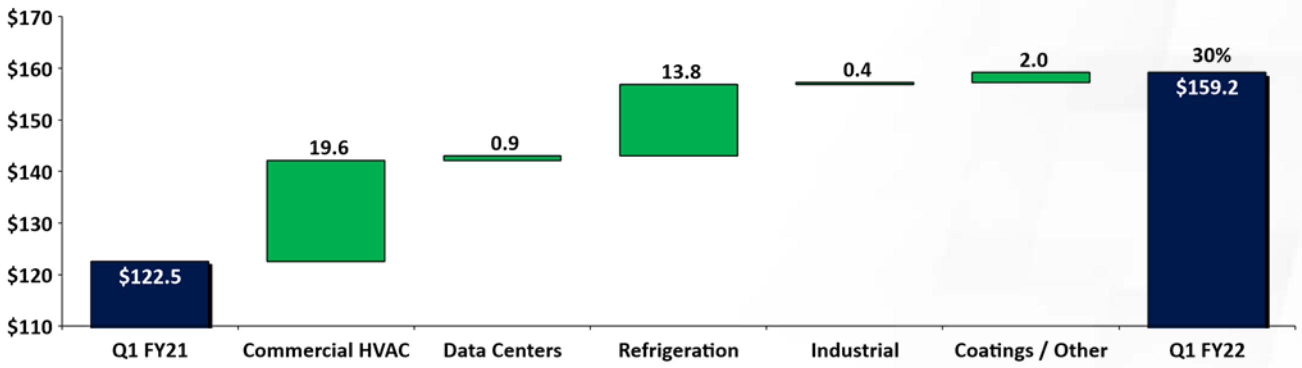
Commercial & Industrial Solutions

Net Sales

$159.2 million

30% YoY

Q1 sales swing



Adjusted EBITDA*

$12.6 million

47% YoY

7.9% margin

Highlights

- Sales improvement in Commercial HVAC and refrigeration driven by strong market recovery and pricing pass throughs
- Adjusted EBITDA margin up 90 bps due to volume conversion partially offset by higher metals cost. Modest SG&A growth due to the lack of COVID cost reductions, but lower as percent of sales

* See Appendix for the full GAAP income statement and Non-GAAP reconciliations

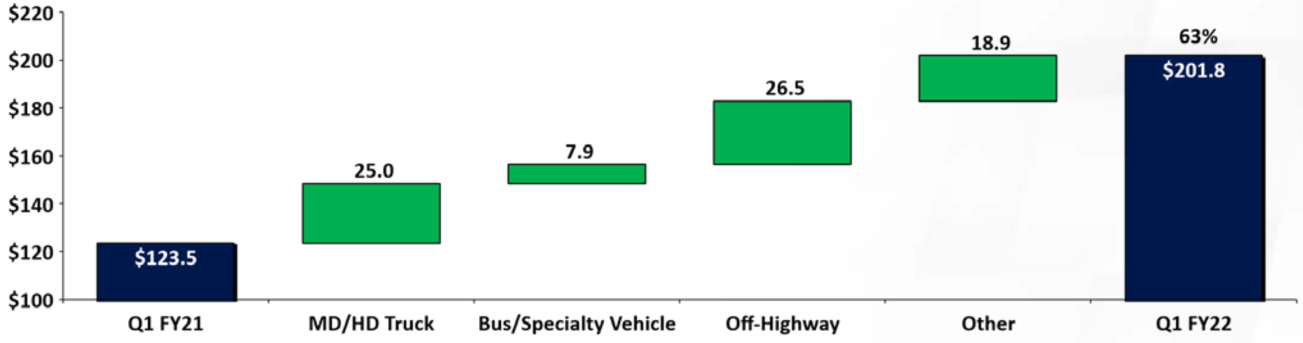
Heavy Duty Equipment

Net Sales

$201.8 million

63% YoY

Q1 sales swing



Adjusted EBITDA*

$15.4 million

180% YoY

7.6% margin

Highlights

- Sales increased in all markets due to broad post COVID recovery
- Adjusted EBITDA margin up 310 bps, with favorable gross margin improvement on volume conversion partially offset by materials and logistics inflation. Modest SG&A growth due to lack of COVID cost reductions, but lower as percent of sales

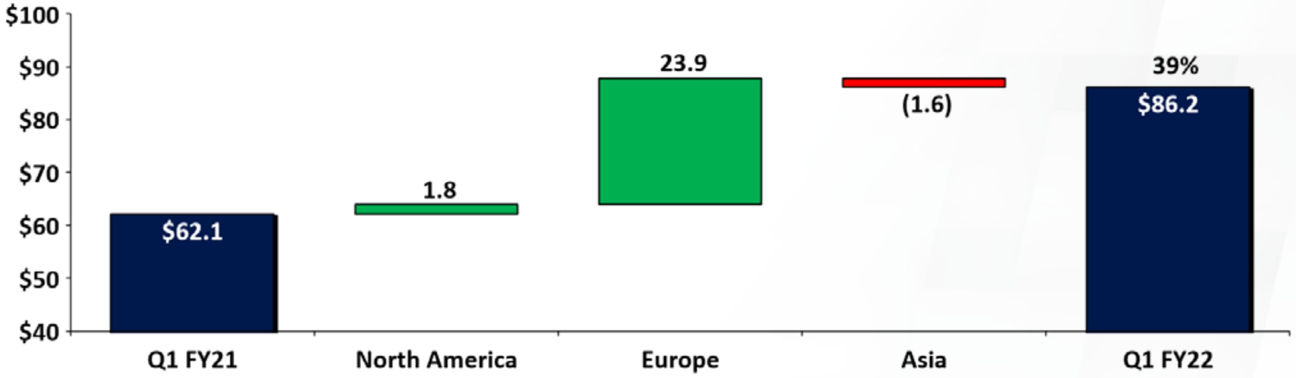
* See Appendix for the full GAAP income statement and Non-GAAP reconciliations

Automotive

Net Sales
$86.2 million
39% YoY

Adjusted EBITDA*
$2.3 million
64% YoY
2.7% margin

Q1 sales swing



Highlights

- Increased sales driven by higher market demand in Europe
- Adjusted EBITDA margin up 40 bps due to volume conversion, partially offset by higher material costs and lack of COVID cost reductions from prior year
- Balance of year volumes will exclude the air-cooled business sold during the first quarter

* See Appendix for the full GAAP income statement and Non-GAAP reconciliations

Q1 Cash Flow & Net Debt

Free Cash Flow*
($22) million

- Negative Q1 cash flow, as anticipated and customary
- Driven by higher working capital and timing of compensation payments
- Prior year benefitted by shutdowns related to the pandemic
- Free cash flow includes $7M of cash payments mainly related to restructuring and strategy

Net Debt*
$322 million

- Increase of $37M in long-term debt was partially offset by an $11M increase in the cash balance

Leverage Ratio
2.0x

- Ratio remained within the target range of 1.5 – 2.5x

Anticipating positive cash flow for the remainder of the year

- Expecting sequential improvements throughout the balance of the year
- Cash flow expected to be lower than prior year driven by:
  - Higher working capital due to timing and a return to normal business operations
  - Capex in the range of $60 - 70M
  - Lack of FICA CARES Act deferrals

* See Appendix for the full GAAP income statement and Non-GAAP reconciliations

Fiscal 2022 Outlook

(in millions)	Guidance	Comments
Net sales	$2,025 to $2,134	+12% to +18%
Adjusted EBITDA*	$170 to $185	+3% to +12%

Holding the full year fiscal 2022 outlook

- Revenue benefitting from strong market recoveries and the COVID recovery across CIS, BHVAC and HDE
- Benefits of revenue growth partially offset by inflationary pressure across the supply chain (metals, packaging and freight)
- Revenue growth also helping to offset salary/wage inflation given a very tight labor market and benefits resuming to pre-COVID levels

Key Assumptions

- Estimated interest expense of $14 – $15 million
- Adjusted tax rate percentage in the mid 20s
- Depreciation and amortization expense of approximately $55 – $60 million
- Includes full-year of automotive

Sales by Market Outlook	Global
BHVAC Markets	
Data Center	+50% - 60%
Commercial VAC	+25% - 35%
Heating	+10% - 20%
CIS Markets	
Commercial HVAC	+10% - 20%
Refrigeration	+15% - 25%
Industrial	+10% - 20%
HDE Markets	
Medium/Heavy Truck	+15% - 25%
Bus/Specialty Vehicle	+30% - 40%
Off-Highway	+15% - 25%

* See Appendix for the full GAAP income statement and Non-GAAP reconciliations

APPENDIX

Q1 GAAP Income Statement

(In millions, except per share amounts)

	Q1 2022	Q1 2021	Change
Net sales	**$ 494.6**	**$ 347.8**	**$ 146.8**
Cost of sales	421.4	301.7	119.7
Gross profit	**73.2**	**46.1**	**27.1**
Selling, general & administrative expenses	59.4	44.7	14.7
Restructuring expenses	0.3	4.6	(4.3)
Impairment charges (reversals) - net	(1.8)	-	(1.8)
Loss on sale of assets	6.6	-	6.6
Operating income (loss)	**8.7**	**(3.2)**	**11.9**
Interest expense	(4.2)	(5.4)	1.2
Other income - net	0.2	-	0.2
Earnings (loss) before income taxes	**4.7**	**(8.6)**	**13.3**
(Provision) benefit for income taxes	(1.9)	0.2	(2.1)
Net earnings (loss)	**2.8**	**(8.4)**	**11.2**
Net earnings attributable to noncontrolling interest	(0.5)	(0.2)	(0.3)
Net earnings (loss) attributable to Modine	**$ 2.3**	**$ (8.6)**	**$ 10.9**

Non-GAAP Reconciliations

Adjusted financial results
(In millions, except per share amounts)

	Three months ended June 30, 2021		Three months ended June 30, 2020	
Net earnings (loss)	$	2.8	$	(8.4)
Interest expense		4.2		5.4
Provision (benefit) for income taxes		1.9		(0.2)
Depreciation and amortization expense		13.5		18.6
Other income – net		(0.2)		-
Restructuring expenses [a]		0.3		4.6
Impairment charges (reversals) – net [b]		(1.8)		-
Loss on sale of assets [c]		6.6		-
Automotive separation and exit strategy costs [d]		1.9		0.5
Strategic reorganization costs [e]		0.6		-
Environmental charges [f]		3.5		-
Adjusted EBITDA	$	33.3	$	20.5
Net earnings (loss) per share attributable to Modine shareholders - diluted	$	0.04	$	(0.17)
Restructuring expenses [a]		-		0.07
Loss on sale of assets [c]		0.13		-
Automotive separation and exit strategy costs [d]		0.04		0.01
Strategic reorganization costs [e]		0.01		-
Environmental charges [f]		0.07		-
Tax valuation allowance [g]		(0.09)		-
Adjusted earnings per share	$	0.20	$	(0.09)

* See next slide for footnotes regarding these adjustments

Non-GAAP Reconciliations

[a] Restructuring expenses primarily consist of employee severance expenses related to targeted headcount reductions and plant consolidation activities. The tax benefit related to restructuring expenses during the first quarter of fiscal 2022 and fiscal 2021 was $0 and $0.8 million, respectively.

[b] The net impairment reversal in the first quarter of fiscal 2022 primarily relates to the Company's liquid-cooled automotive business within the Automotive segment. The Company and the buyer modified the transaction perimeter and are currently in the process of amending the sale agreement. Certain manufacturing operations will no longer convey as part of the pending sale. Accordingly, the Company evaluated the long-lived assets of these businesses and reversed $7.4 million of previously-recorded impairment charges to adjust the asset groups to estimated fair value. This impairment reversal was partially offset by $5.6 million of impairment charges recorded during the first quarter of fiscal 2022 related to other assets held for sale. The tax charge related to the net impairment reversal was $1.8 million.

[c] The Company's sale of its air-cooled automotive business closed on April 30, 2021. As a result of the sale, the Company recorded a $6.6 million loss on sale at Corporate during the first quarter of fiscal 2022. There was no tax impact associated with this transaction.

[d] Automotive separation and exit strategy costs consist of costs directly associated with the Company's review of strategic alternatives for the liquid-cooled and air-cooled automotive businesses, including costs to separate and prepare the underlying businesses for sale. With the exception of $0.1 million and $0.2 million of costs in the first quarter of fiscal 2022 and fiscal 2021, respectively, associated with program and equipment transfers recorded as costs of sales, these costs were recorded as SG&A expenses at Corporate and primarily related to accounting, legal, and IT professional services. The tax benefit related to these costs during the first quarter of fiscal 2022 and fiscal 2021 was $0 and $0.1 million, respectively.

[e] Strategic reorganization costs, recorded as SG&A expenses at Corporate, primarily relate to professional services for the recruiting of new senior management positions and the Company's implementation of its 80/20 strategy. The Company is in the process of recruiting general managers as part of its redesigned organizational structure, which better aligns its businesses with key end markets.

[f] Environmental charges, including related legal costs, are recorded as SG&A expenses at Corporate and relate to a previously-owned U.S. manufacturing facility.

[g] As of June 30, 2021, the Company reversed a valuation allowance on its deferred tax assets in Italy and, as a result, recorded an income tax benefit of $4.8 million.

Non-GAAP Reconciliations

Segment Adjusted EBITDA and margin
(In millions)

Building HVAC Systems	Three months ended June 30, 2021	2020
Operating income	$ 6.8	$ 7.1
Depreciation and amortization expense	0.9	0.8
Adjusted EBITDA	$ 7.7	$ 7.9
Net sales	$ 59.9	$ 47.6
Adjusted EBITDA margin	12.9%	16.6%

Commercial and Industrial Solutions	Three months ended June 30, 2021	2020
Operating income	$ 6.4	$ -
Depreciation and amortization expense	5.9	6.2
Restructuring expenses [a]	-	2.4
Impairment charges [a]	0.3	-
Adjusted EBITDA	$ 12.6	$ 8.6
Net sales	$ 159.2	$ 122.5
Adjusted EBITDA margin	7.9%	7.0%

Heavy Duty Equipment	Three months ended June 30, 2021	2020
Operating income (loss)	$ 8.9	$ (2.5)
Depreciation and amortization expense	6.3	6.1
Restructuring expenses [a]	0.2	1.9
Adjusted EBITDA	$ 15.4	$ 5.5
Net sales	$ 201.8	$ 123.5
Adjusted EBITDA margin	7.6%	4.5%

Automotive	Three months ended June 30, 2021	2020
Operating income (loss)	$ 4.2	$ (3.8)
Depreciation and amortization expense	0.1	5.0
Restructuring expenses [a]	0.1	0.2
Impairment charges (reversals) - net [a]	(2.1)	-
Adjusted EBITDA	$ 2.3	$ 1.4
Net sales	$ 86.2	$ 62.1
Adjusted EBITDA margin	2.7%	2.3%

[a] See the adjusted financial results on slides 14 and 15 for additional information regarding these adjustments.

Non-GAAP Reconciliations

Net sales - constant currency

(In millions)

	Three months ended June 30, 2021			2020
	Net Sales	Effect of Exchange Rate Changes	**Net Sales - Constant Currency**	Net Sales
Building HVAC Systems	$ 59.9	$ (3.2)	**$ 56.7**	$ 47.6
Commercial and Industrial Solutions	159.2	(7.0)	**152.2**	122.5
Heavy Duty Equipment	201.8	(6.9)	**194.9**	123.5
Automotive	86.2	(6.7)	**79.5**	62.1
Segment total	507.1	(23.8)	**483.3**	355.7
Corporate and eliminations	(12.5)	0.3	**(12.2)**	(7.9)
Net sales	$ 494.6	$ (23.5)	**$ 471.1**	$ 347.8

Non-GAAP Reconciliations

Free cash flow and adjusted free cash flow

(In millions)

	Three months ended June 30,	
	2021	2020
Net cash (used for) provided by operating activities	**$ (10.1)**	$ 12.3
Expenditures for property, plant and equipment	**(11.4)**	(9.1)
Free cash flow	**$ (21.5)**	$ 3.2
Payments for restructuring activities, automotive separation and exit strategy costs, and certain other expenses [a]	**6.7**	7.4
Adjusted free cash flow	**$ (14.8)**	$ 10.6

[a] These payments primarily related to the Company's review of strategic alternatives for the liquid- and air-cooled automotive businesses; restructuring activities, including severance; and strategic reorganization costs, including professional services for the recruiting of new senior management positions and the implementation of its 80/20 strategy.

During the three months ended June 30, 2021, the Company made payments totaling $1.7 million and $1.6 million related to its review of strategic alternatives for its liquid- and air-cooled automotive businesses and its strategic reorganization, respectively. In addition, the Company paid $3.4 million for restructuring activities and certain other expenses during the three months ended June 30, 2021.

During the three months ended June 30, 2020, the Company made payments totaling $4.5 million related to its review of strategic alternatives for its liquid- and air-cooled automotive businesses. In addition, the Company paid $2.9 million for restructuring activities and certain other expenses during the three months ended June 30, 2020.

Non-GAAP Reconciliations

Net debt
(In millions)

	June 30, 2021
Debt due within one year	$ 22.5
Long-term debt	348.6
Total debt	371.1
Less: cash and cash equivalents	49.0
Net debt	$ 322.1

Non-GAAP Reconciliations

The Company’s fiscal 2022 guidance includes Adjusted EBITDA, which is a non-GAAP financial measure. The full-year fiscal 2022 guidance for Adjusted EBITDA is based upon the Company’s estimates for interest expense of approximately $14 to $15 million, a provision for income taxes of approximately $16 to $20 million, and depreciation and amortization expense of approximately $55 to $60 million. Adjusted EBITDA also excludes certain cash and non-cash expenses or gains. These expenses and gains may be significant and include items such as restructuring expenses (including severance costs and plant consolidation and relocation expenses), costs associated with the review of strategic alternatives for the automotive business, impairment charges and certain other items. These expenses and gains for the first three months of fiscal 2022 are presented on slide 14. Estimates of these expenses and gains for the remainder of fiscal 2022 are not available due to the low visibility and unpredictability of these items.