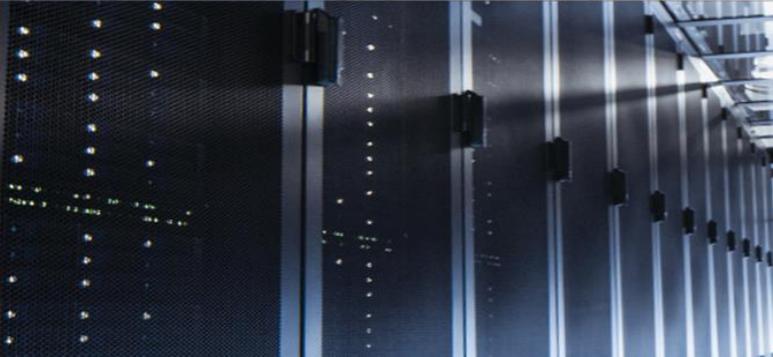




First Quarter Fiscal 2019

August 2, 2018 8:00 am CDT



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, 2018 and under Forward-Looking Statements in Item 7 of Part II of that same report. Other risks and uncertainties include, but are not limited to, the following: Modine’s ability to realize the anticipated synergies associated with the Luvata HTS acquisition and to achieve projected cash flows sufficient to maintain a desirable leverage ratio; the overall health and price-down focus of Modine’s customers; uncertainties regarding the costs and benefits of Modine’s restructuring activities; operational inefficiencies as a result of program launches, unexpected volume increases and product transfers; economic, social and political conditions, changes and challenges in the markets where Modine operates and competes, including foreign currency exchange rate fluctuations (particularly the value of the euro, Brazilian real and British pound relative to the U.S. dollar), tariffs, inflation, changes in interest rates, recession, restrictions associated with importing and exporting and foreign ownership, and the general uncertainties about the impact of regulatory and/or policy changes, including those related to tax and trade, that have been or may be implemented in the U.S. or by its trade partners, and continuing uncertainty regarding “Brexit”; the impact on Modine of any significant increases in commodity prices, particularly aluminum, copper, steel and stainless steel (nickel), and our ability to pass increasing prices on to customers; Modine's ability to successfully execute its strategic and operational plans; the nature of and Modine’s significant exposure to the vehicular industry and the dependence of this industry on the health of the economy; the concentration of sales within our CIS segment attributed to one customer; Modine’s ability to recruit and maintain managerial and leadership talent; Modine’s ability to protect its proprietary information and intellectual property from theft or attack; 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. The Company does not assume any obligation to update any forward-looking statements.

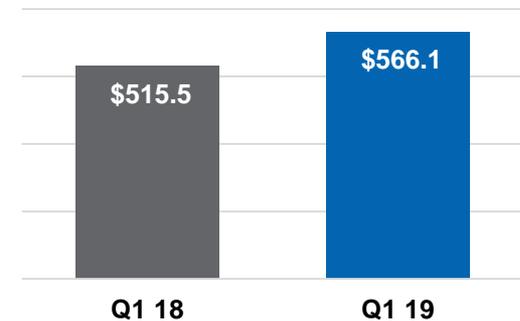
Q1 FY 2019 Highlights



- Sales increased 6% on a constant currency basis
- Sales growth across all segments resulting from improvements in most of our major end markets
- Adjusted operating income increased 14%
- Strong contributions from our Vehicular and Commercial and Industrial segments

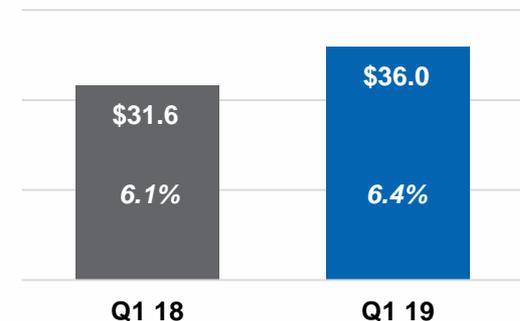
Net Sales

+10%



Adjusted Operating Income

+14%



(in millions)

* See Appendix for Non-GAAP reconciliations



Vehicular Thermal Solutions

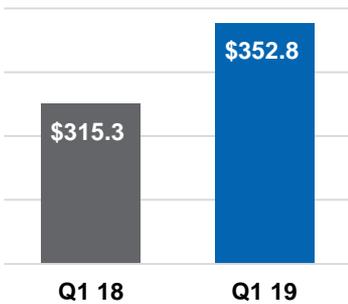


VTS Summary



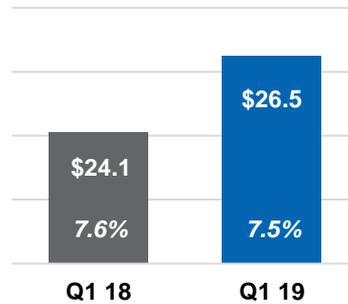
Net Sales

+12%



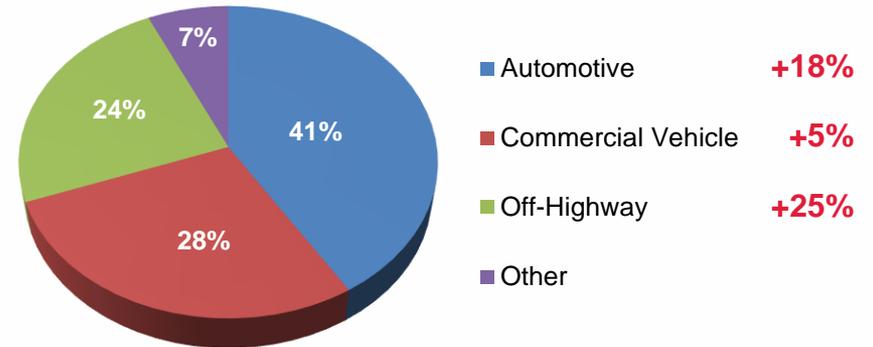
Adjusted Operating Income

+10%

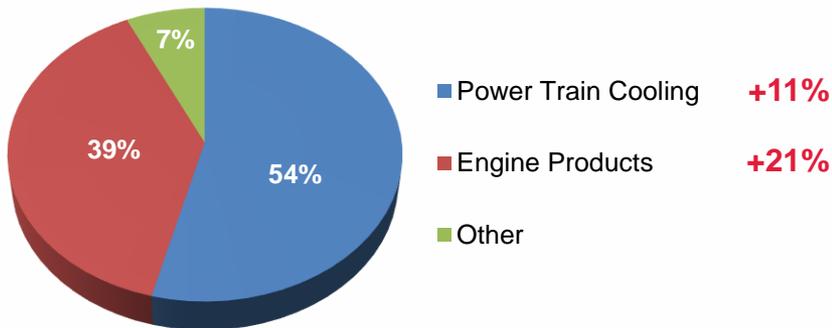


(in millions)

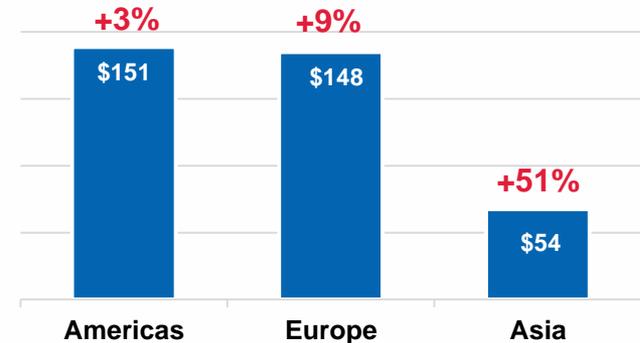
Sales by End Market



Sales by Product



Sales by Region



* See Appendix for Non-GAAP reconciliations



Commercial & Industrial Solutions

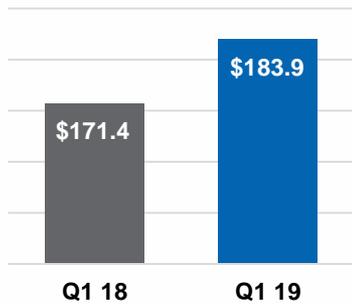


CIS Summary



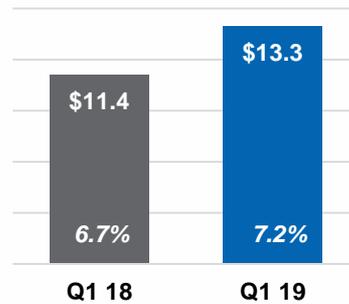
Net Sales

+7%



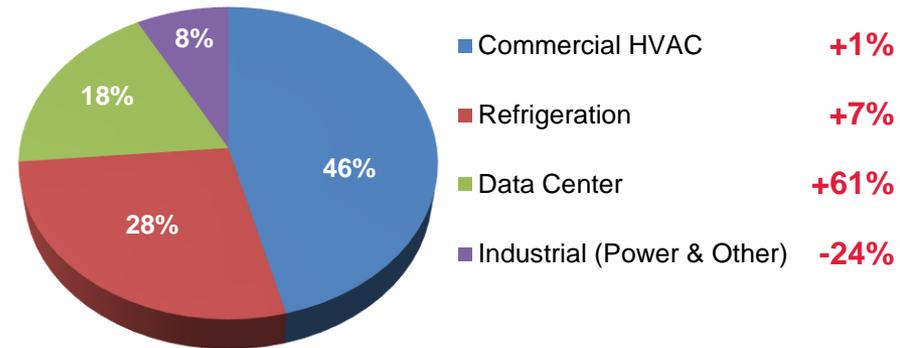
Adjusted Operating Income

+17%

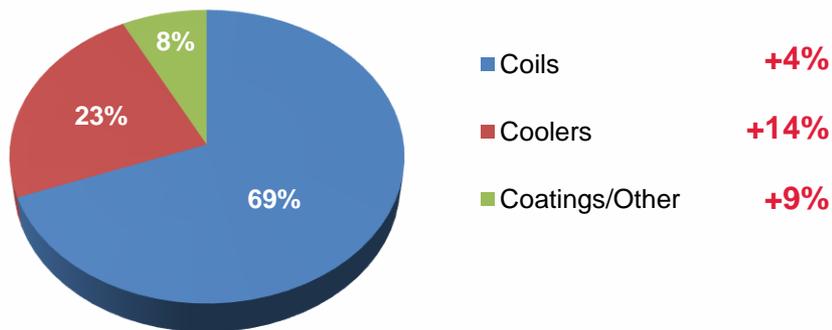


(in millions)

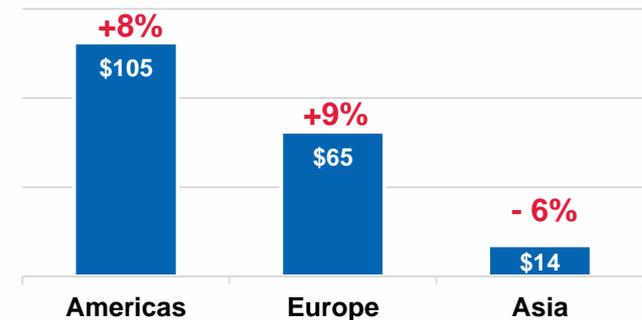
Sales by End Market



Sales by Product



Sales by Region



* See Appendix for Non-GAAP reconciliations



Building HVAC Systems

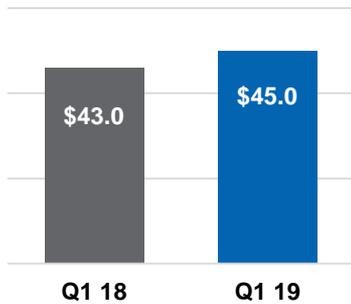


BHVAC Summary



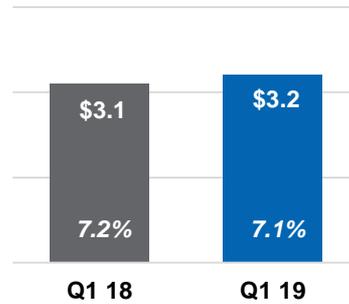
Net Sales

+5%



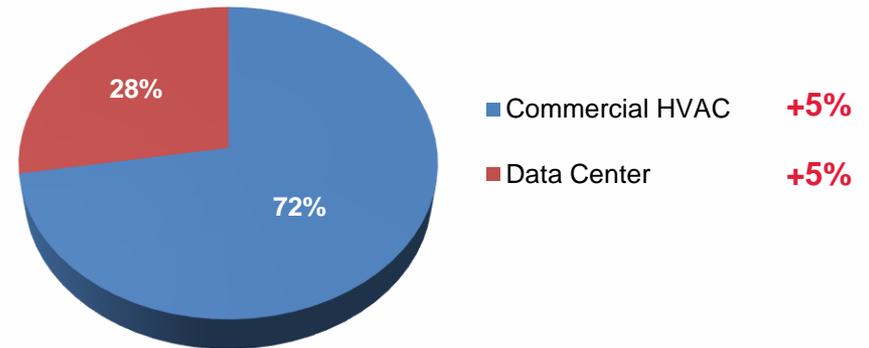
Operating Income

+3%

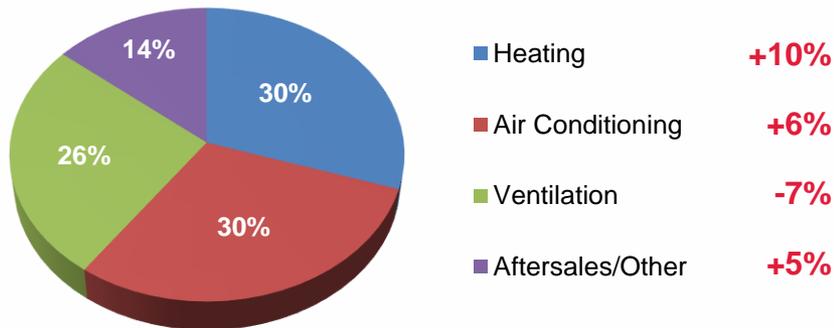


(in millions)

Sales by End Market



Sales by Product



Sales by Region



* See Appendix for Non-GAAP reconciliations

Select Income Statement Items



Sales increased \$50.6M or 10%

- On a constant currency basis, sales were up 6%

Gross profit increased 7%, but the margin was down slightly in VTS

- Higher material costs and temporary production inefficiencies in our VTS segment

Adjusted operating income up \$4.4M or 14%

Adjusted EPS negatively impacted by higher tax expense

| (In millions) | Q1 2019 | Q1 2018 |
|----------------------------|----------------|----------------|
| Net Sales | \$566.1 | \$515.5 |
| Gross Profit | 94.3 | 88.5 |
| <i>Margin</i> | 16.7% | 17.2% |
| SG&A expenses | 59.3 | 59.2 |
| <i>% of net sales</i> | 10.5% | 11.5% |
| Adjusted Op Income* | 36.0 | 31.6 |
| <i>Margin</i> | 6.4% | 6.1% |
| Interest Expense | 6.2 | 6.6 |
| Income Tax Expense | 5.0 | 2.7 |
| Adjusted Tax Rate* | 25% | 16% |
| Adjusted EPS* | \$0.41 | \$0.39 |

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

Cash Flow & Net Debt



As anticipated, Q1 free cash flow was down versus the prior year

- Working capital mainly due to volume increases and associated inventory builds
- Higher employee benefit and incentive compensation payments
- Increase in several payments related to prior restructuring announcement

Full-year free cash flow expected to be stronger than the prior year

| (In millions) | Q1 2019 | Q1 2018 |
|-----------------------|-----------------|----------------|
| Operating cash flow | (\$4.1) | \$20.6 |
| Capital expenditures | (22.6) | (21.6) |
| Free cash flow | (\$26.7) | (\$1.0) |

| (In millions) | 6/30/18 | 3/31/18 |
|-----------------------|----------------|----------------|
| Cash | \$41.4 | \$39.3 |
| Total debt | 506.3 | 479.4 |
| Net debt | \$464.9 | \$440.1 |
| Leverage Ratio | 2.5x | 2.4x |

Fiscal 2019 Guidance



| (In millions) | Guidance | Comments |
|----------------------------|--------------------|--|
| Net sales | \$2,166 to \$2,271 | +3% to +8% growth across most end-markets; Low single-digit organic growth, impacted by the wind-down of multiple truck programs |
| Adjusted operating income* | \$135 to \$145 | +12% to +21% (+50 to +70bps); Reflects metals increases year-over-year |
| Adjusted EPS* | \$1.50 to \$1.65 | \$24M of annual interest expense; Assumes current foreign exchange rates; Significant changes to income tax expense |

Confirming fiscal 2019 guidance

- Market volume tailwinds, offsetting raw materials cost increases
- Managing the rapidly changing trade and tariff risks
- Full-year margin improvement and earnings growth expected across all business segments

* See Appendix for Non-GAAP reconciliations

SDG II Strategy Update



STRENGTHEN

Completed strategic portfolio assessment

Addressing underperforming businesses

Implementing capital prioritization process

Driving SG&A process improvement

Further operating margin improvement

DIVERSIFY

Diversify through acquisitions

Target higher margin & cash generating industrial businesses

Further reduce customer concentration and impact of economic cycles

A greater mix of sales to Industrial markets

GROW

Re-allocate capital to drive growth and profitability

Concentrate growth in areas with leading positions and technology or market drivers

- Electric vehicles
- Data centers
- Mobile refrigeration
- Greenhouses/Urban farming

Increase revenue growth, both organic and inorganic



Appendix



Q1 GAAP Income Statement



(In millions, except per share amounts)

| | Q1 2019 | Q1 2018 | Better (Worse) |
|--|--------------------|--------------------|---------------------------|
| Net sales | \$ 566.1 | \$ 515.5 | \$ 50.6 |
| Cost of sales | 471.8 | 427.0 | (44.8) |
| Gross profit | 94.3 | 88.5 | 5.8 |
| SG&A expenses | 59.3 | 59.2 | (0.1) |
| Restructuring expenses | 0.2 | 1.7 | 1.5 |
| Operating income | 34.8 | 27.6 | 7.2 |
| Interest expense | (6.2) | (6.6) | 0.4 |
| Other expense - net | (1.1) | (0.9) | (0.2) |
| Earnings before income taxes | 27.5 | 20.1 | 7.4 |
| Provision for income taxes | (5.0) | (2.7) | (2.3) |
| Net earnings | 22.5 | 17.4 | 5.1 |
| Net earnings attributable to noncontrolling interest | (0.5) | (0.4) | (0.1) |
| Net earnings attributable to Modine | \$ 22.0 | \$ 17.0 | \$ 5.0 |
| Net earnings per share - diluted | \$ 0.43 | \$ 0.34 | \$ 0.09 |

Non-GAAP Reconciliations



Modine Manufacturing Company Adjusted financial results (unaudited)

(In millions)

| | Three months ended June 30, | |
|---|-----------------------------|----------------|
| | 2018 | 2017 |
| Operating income | \$ 34.8 | \$ 27.6 |
| Environmental charges ^(a) | 0.9 | 0.2 |
| Restructuring expenses ^(b) | 0.2 | 1.7 |
| Acquisition and integration costs ^(c) | 0.1 | 1.5 |
| Strategy consulting fees ^(d) | - | 0.6 |
| Adjusted operating income | \$ 36.0 | \$ 31.6 |
| Net earnings per share attributable to Modine shareholders - diluted: | \$ 0.43 | \$ 0.34 |
| Environmental charges ^(a) | 0.02 | - |
| Restructuring expenses ^(b) | - | 0.02 |
| Acquisition and integration costs ^(c) | - | 0.02 |
| Strategy consulting fees ^(d) | - | 0.01 |
| Tax valuation allowance ^(e) | (0.04) | - |
| Adjusted earnings per share | \$ 0.41 | \$ 0.39 |

^(a) Adjustments relate to environmental charges and related legal costs associated with a previously-owned U.S. manufacturing facility in the Vehicular Thermal Solutions segment.

^(b) Restructuring expenses primarily relate to equipment transfer and plant consolidation costs and employee severance expenses.

^(c) On November 30, 2016, the Company acquired Luvata Heat Transfer Solutions and has since operated the business as its CIS segment. Acquisition and integration costs, recorded as SG&A expenses at Corporate, primarily relate to incremental costs directly associated with integration activities, including fees for accounting services and severance expenses. The tax benefit related to acquisition and integration costs for the three months ended June 30, 2018 and 2017 was \$0 and \$0.6 million, respectively.

^(d) During the first quarter of fiscal 2018, the Company recorded \$0.6 million of third party strategy advisory fees as SG&A expenses at Corporate.

^(e) On June 30, 2018, the Company reversed a portion of the valuation allowance on its deferred tax assets in China, and, as a result, recorded an income tax benefit of \$2.0 million.

Non-GAAP Reconciliations



Segment adjusted operating income and margin

(In millions)

Three months ended June 30,

| Vehicular Thermal Systems | <u>2018</u> | <u>2017</u> |
|----------------------------------|--------------------|--------------------|
| Operating income | \$ 25.5 | \$ 22.2 |
| Environmental charges | 0.9 | 0.2 |
| Restructuring expenses | 0.1 | 1.7 |
| Adjusted operating income | <u>\$ 26.5</u> | <u>\$ 24.1</u> |
| Net sales | \$ 352.8 | \$ 315.3 |
| Adjusted operating margin | 7.5% | 7.6% |

Three months ended June 30,

| Commercial and Industrial Solutions | <u>2018</u> | <u>2017</u> |
|--|--------------------|--------------------|
| Operating income | \$ 13.2 | \$ 11.4 |
| Restructuring expenses | 0.1 | - |
| Adjusted operating income | <u>\$ 13.3</u> | <u>\$ 11.4</u> |
| Net sales | \$ 183.9 | \$ 171.4 |
| Adjusted operating margin | 7.2% | 6.7% |

Non-GAAP Reconciliations



Adjusted tax rate

(In millions)

| | Three months ended June 30, | |
|--|-----------------------------|----------------|
| | <u>2018</u> | <u>2017</u> |
| Earnings before income taxes | \$ 27.5 | \$ 20.1 |
| Environmental charges ^(a) | 0.9 | 0.2 |
| Restructuring expenses ^(a) | 0.2 | 1.7 |
| Acquisition and integration costs ^(a) | 0.1 | 1.5 |
| Strategy consulting fees ^(a) | - | 0.6 |
| Adjusted earnings before income taxes | <u>\$ 28.7</u> | <u>\$ 24.1</u> |
| Provision for income taxes | \$ 5.0 | \$ 2.7 |
| Taxes on adjustments above | 0.3 | 1.2 |
| Tax valuation allowance ^(a) | 2.0 | - |
| Adjusted provision for income taxes | <u>\$ 7.3</u> | <u>\$ 3.9</u> |
| GAAP tax rate | 18% | 13% |
| Adjusted tax rate | 25% | 16% |

^(a) See the adjusted financial results on page 16 for additional information regarding these adjustments.

Non-GAAP Reconciliations



Net sales - constant currency (unaudited)

(In millions)

| | Three months ended June 30, | | | |
|-------------------------------------|-----------------------------|---------------------------------|-------------------------------|-----------|
| | 2018 | | 2017 | |
| | Net Sales | Effect of Exchange Rate Changes | Net Sales - Constant Currency | Net Sales |
| Vehicular Thermal Solutions | \$ 352.8 | \$ (11.8) | \$ 341.0 | \$ 315.3 |
| Commercial and Industrial Solutions | 183.9 | (5.5) | 178.4 | 171.4 |
| Building HVAC Systems | 45.0 | (1.2) | 43.8 | 43.0 |
| Segment total | 581.7 | (18.5) | 563.2 | 529.7 |
| Corporate and eliminations | (15.6) | 0.1 | (15.5) | (14.2) |
| Net sales | \$ 566.1 | \$ (18.4) | \$ 547.7 | \$ 515.5 |

Non-GAAP Reconciliations



Our fiscal 2019 guidance includes adjusted operating income and adjusted EPS. These are non-GAAP measures, which exclude certain cash and non-cash charges or gains. These charges and gains may be significant and include items such as restructuring expenses (including severance costs and plant consolidation and relocation expenses), acquisition and integration costs, impairment charges and certain other items. These adjustments for the first quarter of fiscal 2019 are presented on slide 16 of this presentation. Estimates of these adjustments for the remainder of fiscal 2019 are not available due to the low visibility and unpredictability of these items.