MODINE MANUFACTURING CO
Form 11-K
June 29, 2007

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 11-K

(Mark One)

[X] ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2006.

[ ] TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ________________ to __________________

Commission file number 1-1373

A. Full title of the plan and the address of the plan if different from that of the issuer named below:

MODINE 401(K) RETIREMENT PLAN FOR HOURLY EMPLOYEES

B. Name of issuer of the securities held pursuant to the Plan and the address of its principal executive office:

MODINE MANUFACTURING COMPANY

1500 DeKoven Avenue, Racine, Wisconsin 53403-2552

MODINE 401(K) RETIREMENT PLAN
FOR HOURLY EMPLOYEES

INDEX TO FINANCIAL STATEMENTS, SUPPLEMENTAL SCHEDULE, AND EXHIBITS

NOTE: Supplemental schedules required by the Employee Retirement Income Security Act of 1974 that have not been included herein are not applicable.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Pension Benefits Committee and Plan participants of the
Modine 401(k) Retirement Plan for Hourly Employees
Modine Manufacturing Company
Racine, Wisconsin

We have audited the accompanying statements of net assets available for benefits of the Modine 401(k) Retirement Plan for Hourly Employees ("the Plan") as of December 31, 2006 and 2005, and the related statement of changes in net assets available for benefits for the year ended December 31, 2006. 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, 2006 and 2005, and the changes in net assets available for benefits for the year ended December 31, 2006, 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 supplemental 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. The 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 2006 financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic 2006 financial statements taken as a whole.

/s/ Crowe Chizek and Company LLC
Crowe Chizek and Company LLC

Oak Brook, Illinois
June 27, 2007

MODINE 401(K) RETIREMENT PLAN
FOR HOURLY EMPLOYEES

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

December 31, 2006 and 2005

ASSETS		2006		2005
Investments, at fair value (Note 3)	$	50,778,933		50,706,914
Cash		74,852	$	1,506
Receivables:				
Employer Contribution		82,586		24,877
Participant Contribution		55,130		57,004
Accrued interest and dividends		25,408		16,581
Total Receivables		163,124		98,462
Total assets		51,016,909		50,806,882
LIABILITIES				
Accrued Expenses		-		75
Due to broker		-		671
Total liabilities		-		746
Net assets reflecting all assets at fair value		51,016,909		50,806,136
Adjustment from fair value to contract value for fully benefit-responsive investment contracts		57,095		59,191
Net assets available for benefits	$	51,074,004	$	50,865,327

The accompanying notes are an integral part of the financial statements.

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MODINE 401(K) RETIREMENT PLAN
FOR HOURLY EMPLOYEES

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

for the year ended December 31, 2006

Additions:		
Investment income (deficit):		
Deficit from Master Trust (Note 3)	$	(4,782,944)
Net appreciation in fair value of investments (Note 3)		2,716,242
Interest		309,144
Dividends		178,356
Total investment deficit		(1,579,202)
Contributions:		
Participant		3,287,300
Employer		1,477,103
Rollover contributions		77,517
Total contributions		4,841,920
Total additions		3,262,718
Deductions:		
Distributions to participants		3,656,073
Administrative costs		20,178
Total deductions		3,676,251
Net decrease before transfers		(413,533)
Transfers, net (Note 10)		622,210
Increase in net assets available for benefits		208,677

Net assets available for benefits:		
Beginning of year		50,865,327
End of year	$	51,074,004

The accompanying notes are an integral part of the financial statements.

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MODINE 401(K) RETIREMENT PLAN
FOR HOURLY EMPLOYEES

NOTES TO FINANCIAL STATEMENTS
December 31, 2006 and 2005

1. Description of Plan

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

A. General

The Plan is a 401(k) profit sharing plan covering all eligible hourly employees of Modine Manufacturing Company and its U.S. subsidiaries ("the Company"), who have one hour of service. Eligible employees who elect to participate are referred to as Participants. The Plan was established on January 1, 1999 and is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

B. Contributions

Plan Participants enter into a wage reduction agreement wherein the Participant elects a reduction in compensation, which the Company contributes to the Plan. Participants direct investment of their contributions into various investment options offered by the Plan. The Plan offers several investment alternatives. Participants may contribute up to 50% of their compensation including overtime, but before bonuses, commissions or taxable fringe benefits. Participants may transfer into the Plan certain assets previously held under another tax-qualified plan.

The Company made matching contributions equal to 60% of Participant contributions which did not exceed 6% of total compensation. The Company has the discretion to make an additional contribution and match all or any portion of the Participant's contribution. The matching and discretionary, if any, Company contributions are invested directly in the Modine Company Stock Fund. During the Plan year, the Company did not make any discretionary contributions. Effective January 1, 2007, the Company matching contributions to Participant accounts will be invested based on the Participants' investment elections for Participant contributions.

Participant and Company contributions are subject to certain statutory limitations.

C. Participant Accounts

Each Participant account is credited with the Participant's contributions and allocations of the Company's matching contribution, the Company's discretionary contribution, and Plan earnings. Allocations of contributions and investment earnings are based on the Participant contributions or account balances, as provided by the Plan. The net appreciation (depreciation) in fair value of investments is also allocated to the individual Participant accounts based on each Participant's share of fund investments. The benefit to which a Participant is entitled is the benefit that can be provided from the Participant's vested account.

NOTES TO FINANCIAL STATEMENTS, continued

1. Description of Plan, continued

D. Vesting

Participants are immediately vested in their voluntary contributions plus actual earnings thereon. Participants with an employment commencement date prior to January 1, 2001 are 100% vested in the Company's contributions. Participants with an employment commencement date subsequent to December 31, 2000 will vest in the Company's contributions after three years of service. All Thermacore, Inc. employees who were employed on or before December 31, 2001 are 100% vested in their Matching Account. A year of vesting credit is granted each anniversary of the employee's hire date.

E. Participant Loans

Participants may borrow from their fund accounts a minimum of $1,000 and a maximum of $50,000 or 50 percent of their vested account balances, whichever is less. The maximum loan repayment term is five years, except for loans to purchase a primary residence. Loans bear interest at the Marshall & Ilsley Bank prime rate plus 1%. All principal and interest payments are credited to Participant account balances according to current investment directions in effect for new contributions at the time of each loan repayment. Effective January 1, 2007, the loan policy was changed to impose a 12 month waiting period following loan repayment, increase the loan origination fee and increase the interest rate to Prime plus 2% for general purpose loans and a 15-year mortgage rate for home loans.

F. Distributions

If a Participant retires, dies, terminates employment, or incurs a permanent disability, distributions of their account will be made in a lump sum; provided, however, that the timing and form of distributions are subject to certain minimum balances and age restrictions as provided by the Plan.

G. Withdrawals

The Plan provides for both hardship and non-hardship withdrawals. Contributions may only be withdrawn without penalty on or after age 59½ or in the event of retirement, death, disability, or termination on or after age 55. Financial hardship includes certain medical expenses, purchase of a primary residence, tuition and related education fees, or to prevent eviction from, or foreclosure of the mortgage on, the primary residence.

H. Forfeited Accounts

Forfeited nonvested accounts are first used to pay Plan expenses. Any remaining forfeitures are used to reduce the Employer Matching Contributions. During the Plan year forfeitures totaling $15,396 were used to reduce Employer Matching Contributions.

I. Administrative Expenses

Most expenses of administering the Plan are borne by the Company.

NOTES TO FINANCIAL STATEMENTS, continued

1. Description of Plan, continued

J. Trustee

As of December 31, 2006 and 2005, the assets of the Plan were held under an Agreement of Trust by Marshall & Ilsley Trust Company N.A., Milwaukee, Wisconsin.

2. Summary of Significant Accounting Policies

A. Basis of Accounting

The financial statements of the Plan are prepared under the accrual method of accounting, in accordance with U.S. generally accepted accounting principles.

B. Adoption of New Accounting Standard

The Plan adopted Financial Accounting Standards Board (FASB) Staff Position AAG INV-1 and SOP94-4-1, *Reporting of Fully Benefit-Responsive Investment Contracts Held by the Certain Investment Companies Subject to the AICPA Investment Company Guide and Defined-Contribution Health and Welfare and Pension Plans* (“the FSP”) in 2006. Pursuant to the adoption of the FSP, fully benefit-responsive trust funds in which the Plan holds an interest are to be presented at fair value. In addition, any material difference between the fair value of these investments and their contract value is to be presented as a separate adjustment line in the statement of net assets available for benefits, because contract value remains the relevant measurement attribute for that portion of net assets available for benefits attributable to fully benefit-responsive investment contracts. The adoption of the FSP had no impact on the net assets available for benefits as of December 31, 2006 or 2005. The net appreciation reported in the statement of changes in net assets available for benefits was also not impacted by the adoption of the FSP, as the amounts reflect the contract value of fully benefit responsive contracts held directly or indirectly by the Plan.