HILLENBRAND

Q1 FY 2022
EARNINGS CALL PRESENTATION

February 3, 2022

Hillenbrand Participants

HILLENBRAND

Kim Ryan
President & CEO

Kristina Cerniglia
SVP & CFO

Sam Mynsberge
Director, Investor Relations

Disclosure Regarding Forward-Looking Statements

Throughout this presentation, we make a number of "forward-looking statements" that are within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995, and that are intended to be covered by the safe harbor provided under these sections. As the words imply, these are statements about future sales, earnings, cash flow, results of operations, uses of cash, financings, share repurchases, ability to meet deleveraging goals, and other measures of financial performance or potential future plans or events, strategies, objectives, beliefs, prospects, assumptions, expectations, and projected costs or savings or transactions of the Company that might or might not happen in the future, as contrasted with historical information. Forward-looking statements are based on assumptions that we believe are reasonable, but by their very nature they are subject to a wide range of risks. If our assumptions prove inaccurate or unknown risks and uncertainties materialize, actual results could vary materially from Hillenbrand's (the "Company") expectations and projections. Words that could indicate that we are making forward-looking statements include the following:

intend	believe	plan	expect	may	goal	would	project
become	pursue	estimate	will	forecast	continue	could	anticipate
target	encourage	promise	improve	progress	potential	should	impact

This is not an exhaustive list but is intended to give you an idea of how we try to identify forward-looking statements. The absence of any of these words, however, does not mean that the statement is not forward-looking.

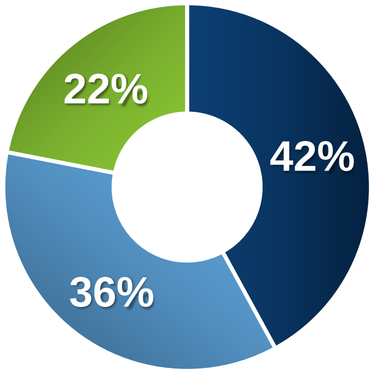
Here is the key point: *Forward-looking statements are not guarantees of future performance or events, and actual results or events could differ materially from those set forth in any forward-looking statements.* Any number of factors, many of which are beyond our control, could cause our performance to differ significantly from what is described in the forward-looking statements. These factors include, but are not limited to: the impact of contagious diseases such as the COVID-19 pandemic and the escalation thereof due to variant strains of the virus and the societal, governmental, and individual responses thereto, including supply chain disruption, loss of contracts and/or customers, erosion of some customers' credit quality, downgrades of the Company's credit quality, closure or temporary interruption of the Company's or suppliers' manufacturing facilities, travel, shipping and logistical disruptions, domestic and international general economic conditions, such as inflation, exchange rates and interest rates; loss of human capital or personnel, and general economic calamities; increased costs, poor quality, or unavailability of raw materials or certain outsourced services and supply chain disruptions; increasing competition for highly skilled and talented workers as well as labor shortages; the risk of business disruptions associated with information technology, cyber-attacks, or catastrophic losses affecting infrastructure; risks that the integration of Milacron disrupts current operations or poses potential difficulties in employee retention or otherwise affects financial or operating results; the ability to recognize the benefits of the acquisition of Milacron or any other acquisition or disposition, including potential synergies and cost savings or the failure of the Company or any acquired company to achieve its plans and objectives generally; impairment charges to goodwill and other identifiable intangible assets; competition in the industries in which we operate, including on price or from nontraditional sources in the death care industry; impacts of decreases in demand or changes in technological advances, laws, or regulation on the revenues that we derive from the plastics industry; our reliance upon employees, agents, and business partners to comply with laws in many countries and jurisdictions; the impact of incurring significant amounts of indebtedness and any inability of the Company to respond to changes in its business or make future desirable acquisitions; the ability of the Company to comply with financial or other covenants in its debt agreements; global market and economic conditions, including those related to the financial markets; our level of international sales and operations; cyclical demand for industrial capital goods; continued fluctuations in mortality rates and increased cremations; the dependence of our business units on relationships with several large customers and providers; competition faced by our Batesville business from non-traditional sources; the impact to the Company's effective tax rate of changes in the mix of earnings or tax laws and certain other tax-related matters; involvement in claims, lawsuits and governmental proceedings related to operations; uncertainty in the United States political and regulatory environment or global trade policy; adverse foreign currency fluctuations; labor disruptions; and the effect of certain provisions of the Company's governing documents and Indiana law that could decrease the trading price of the Company's common stock. Shareholders, potential investors, and other readers are urged to consider these risks and uncertainties in evaluating forward-looking statements and are cautioned not to place undue reliance on the forward-looking statements. For a more in-depth discussion of these and other factors that could cause actual results to differ from those contained in forward-looking statements, see the discussions under the heading "Risk Factors" in Part I, Item 1A of Hillenbrand's Form 10-K for the year ended September 30, 2021, filed with the Securities and Exchange Commission ("SEC") on November 17, 2021, and in Part II, Item 1A of Hillenbrand's Form 10-Q for the quarter ended December 31, 2021, filed with the SEC on February 2, 2022. The forward-looking information in this release speaks only as of the date hereof, and we assume no obligation to update or revise any forward-looking information.

Hillenbrand Snapshot (NYSE: HI)

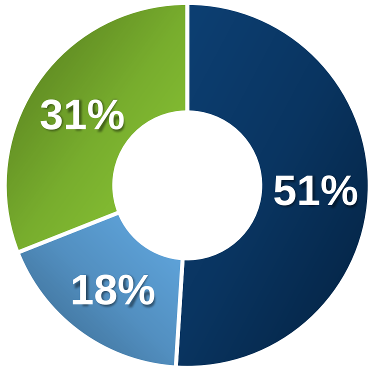
Global Industrial Company that Engineers, Manufactures, and Sells Products and Services into a Variety of End Markets

Founding Year	1906
Headquarters	Batesville, IN
Employees[2]	~10,500
Locations[1,2]	40+
PF Revenue[1]	$2.8B
PF Adj. EBITDA Margin[1]	19.1%

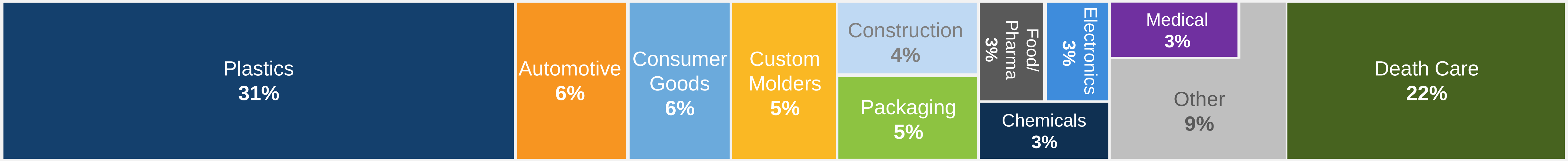
Pro Forma Revenue by Segment[1]



Pro Forma Revenue by Geography[1,3]



Diversified End Markets[1]



[1] All metrics are as of 9/30/2021 and exclude the divested Red Valve, ABEL, and TerraSource Global businesses. Pro forma revenue and adjusted EBITDA margin are non-GAAP measures. See appendix for GAAP reconciliation.
[2] Includes headquarters, significant manufacturing and sales & technical locations. [3] Based on customer location.

Four Pillar Strategy to Drive Long-Term Shareholder Value

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Strengthen and Build Platforms Organically and through M&A

Emerging capabilities in food, recycling, biopolymers, and batteries

Manage Batesville for Cash

Complements APS and MTS businesses with stable cash flow

Build Scalable Foundation Utilizing Hillenbrand Operating Model (HOM)

Continued opportunity as we roll out HOM across MTS segment

Effectively Deploy Strong Free Cash Flow

Strong and flexible balance sheet to deploy capital for long-term returns

Q1 Execution Highlights

- ✓ Demand momentum continued for APS and MTS with solid order intake of $638 million leading to strong backlog of $1.72 billion, up 30% compared to prior year and 3% sequentially on a pro forma basis[1]
- ✓ Batesville remains relentlessly focused on meeting customer needs and performed above our expectations
- ✓ Better than expected cash flow driven by solid working capital performance; strong and flexible balance sheet provides foundation for growth

Hillenbrand Team Focused on Continued Execution to Drive Long-Term Shareholder Value

[1] Pro forma comparisons exclude the divested Red Valve, ABEL, and TerraSource Global businesses.

Macro Trends to Support Long-term Growth

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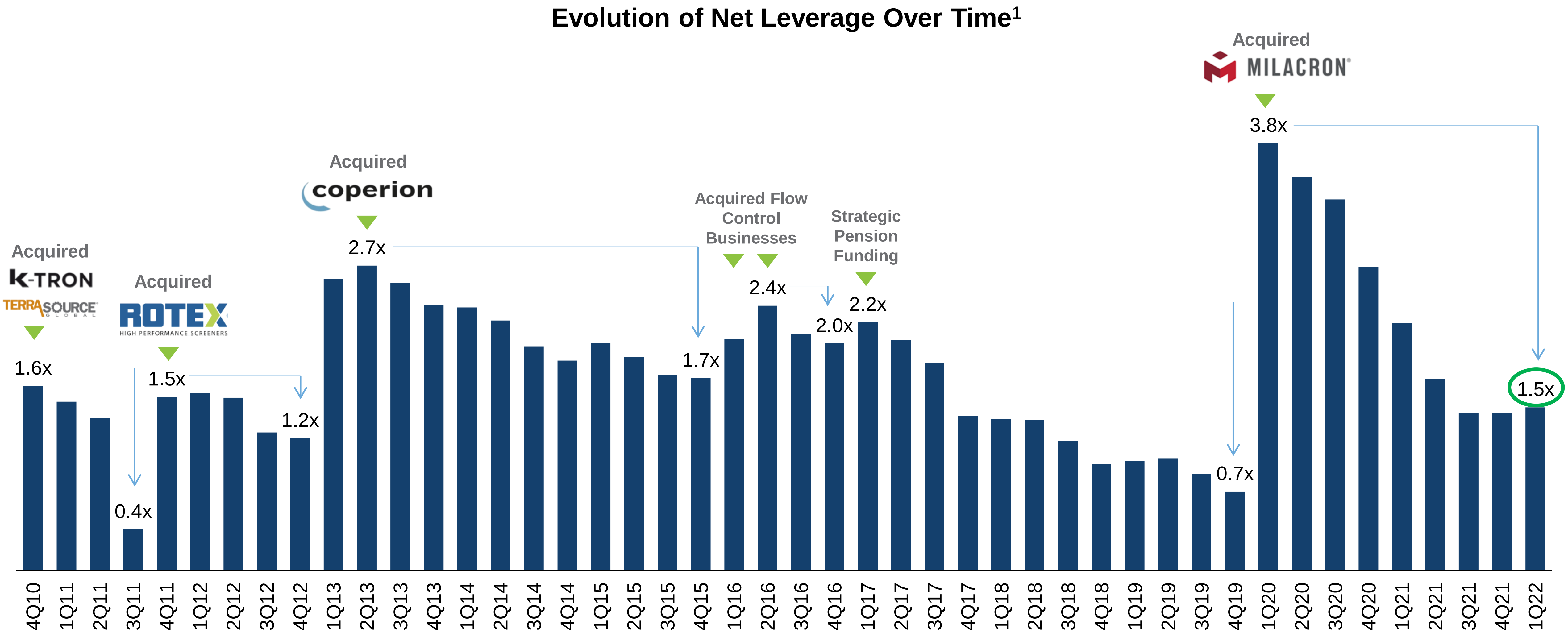
Broad Secular Macro Trends, Including Eco-friendly Innovations, Support Growth Across Core End Markets and Applications

Packaging	Medical	Consumer Goods	Construction	Electronics	Automotive	Food
Improve food shelf life, freshness, and safety; innovation in recycled or bio-based content	Focus on safety, improved drug and therapy delivery, and durability / disposability	Shortened product lifecycles; innovation in multi-material products; design flexibility	Shift to plastics for durability, lighter weight, and lower maintenance	Shortened product lifecycles; durable plastics help create superior quality and design flexibility	Increased use of lightweight plastics to improve fuel efficiency; improved battery production for EV	More sustainable food sources such as plant-based proteins

Customer Trends Driven by Sustainability

- Recycling
- Recycled Content in New Products
- Biomaterials Made into Plastics
- Single-material Bottles
- Eco-friendly Food Sources
- Electric Vehicles (EV)

Strong Track Record of Rapidly De-leveraging Post-Transaction



[1] Defined as ("Total Debt – Cash") / TTM pro forma adjusted EBITDA. Pro forma adjusted EBITDA is a non-GAAP measure. Prior periods are as previously disclosed and are available in presentations and SEC filings available on our website. See appendix for GAAP reconciliation.

Integrating Sustainability in How We Do Business

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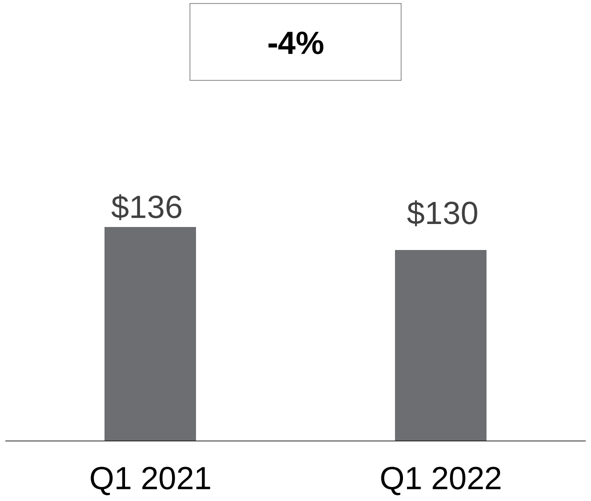
Committed to Transparency and Continued Progress on this Critical Journey; Next Sustainability Report to be Published in 2H of FY22

1. Hired first Chief Sustainability Officer in 2021 to provide leadership in integrating sustainability into our strategy, culture, and daily operations; hired dedicated leader focused on diversity, equity, and inclusion
2. Engaged with consultant to accelerate data collection for energy usage and Scope 1 and 2 emissions at key sites; plan to disclose data in next sustainability report
3. Developing innovative products and solutions to support customers in their efforts to conserve energy and reduce emissions, improve operational efficiency, and lower their overall cost
4. Appointed new CHRO in January to further our HR transformation, which we believe will enable Hillenbrand to retain, develop, and attract the best talent around the world
5. Continuing to drive safety improvements, including root cause and near-miss analysis and publishing our rolling recordable incident rate
6. Centralizing supply chain standards, including a focus on understanding diversity in our supply chain

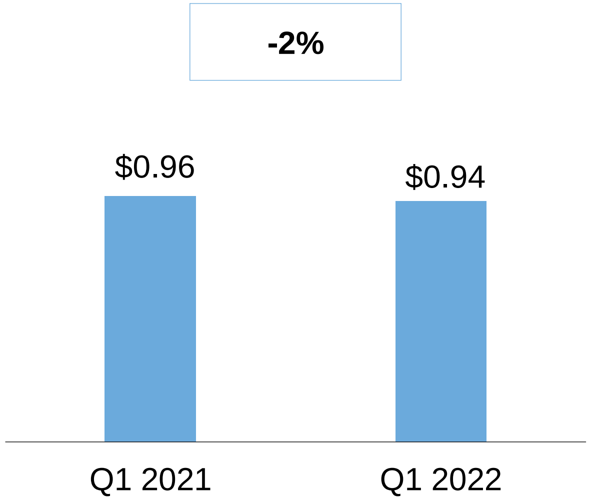
Consolidated Performance – Q1 FY 2022 ($M)

Pro Forma Revenue[1]

Pro Forma Adj. EBITDA[1]



Adj. EPS[1]



Operating Cash Flow

Performance Highlights

- Revenue increased 9% on a pro forma basis[1] primarily driven by higher volume of large plastics projects in Advanced Process Solutions and favorable pricing across all three operating segments; excluding the impact of foreign currency, revenue increased 10% on a pro forma basis
- Adj. EBITDA[1] of $130 million decreased 4% on pro forma basis, while adj. EBITDA margin[1] of 17.9% decreased 250 basis points primarily due to cost inflation and unfavorable mix
- GAAP EPS of $0.67 decreased from $1.01 in the prior year due to the non-repeat of a gain on the sale of Red Valve; adj. EPS[1] of $0.94 decreased $0.02 or 2% as inflation and unfavorable mix more than offset higher volume, favorable pricing, and productivity improvements
- Operating Cash Flow of $45 million was higher than expected coming into the quarter, but down $22 million vs. prior year primarily due to an increase in cash paid for taxes

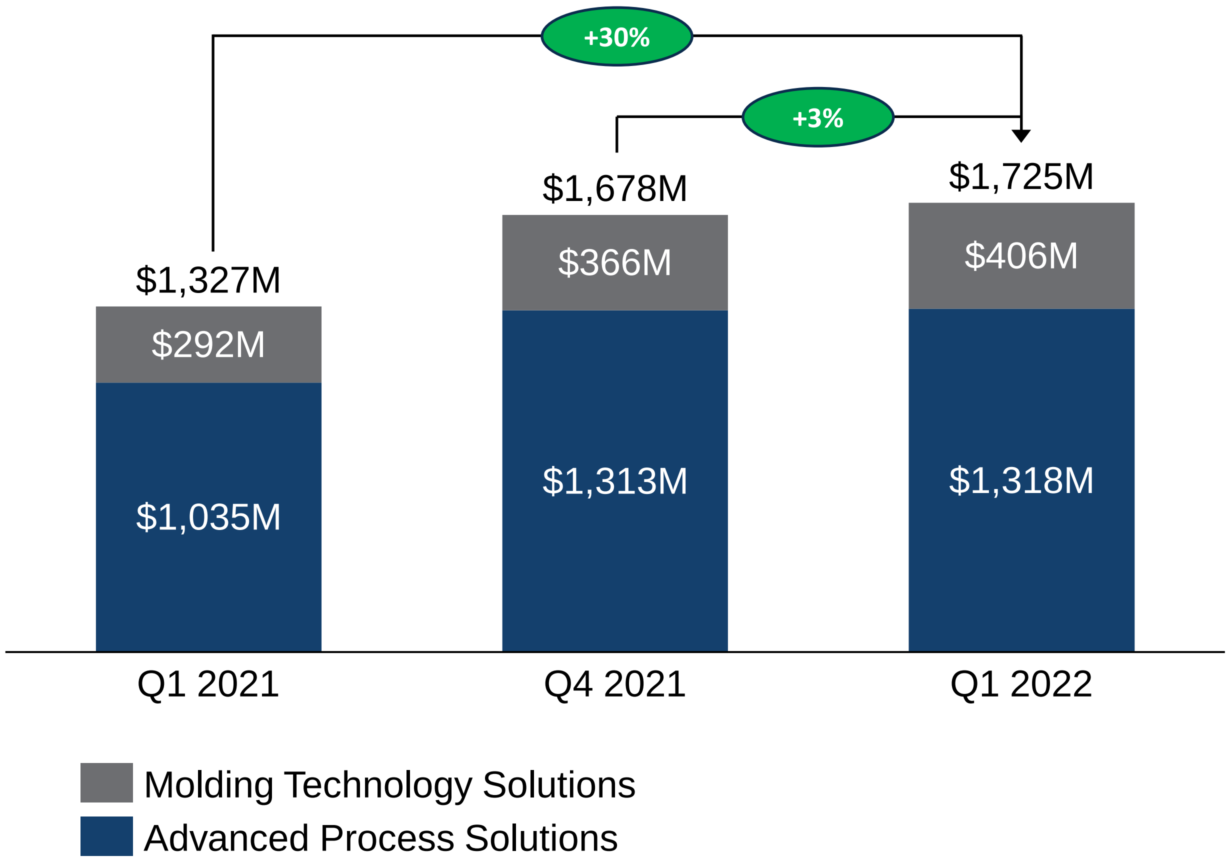
Business Update

- Continued commitment to the health and safety of employees as COVID-19 cases spiked around the world due to the Omicron variant
- Industrial demand remained healthy in the quarter; total backlog of $1.72 billion provides a strong foundation for future growth during this uncertain environment
- Batesville performed above expectations in Q1; expect Q2 volume to be lower sequentially, but additional pricing actions implemented to offset continued headwind from inflation
- Overall Hillenbrand offset approximately 65% of material and supply chain inflation with price in the quarter; we anticipate price-cost coverage will improve to ~100% throughout the year

[1] Pro forma comparisons exclude the divested Red Valve, ABEL, and TerraSource Global businesses. Pro forma revenue, adjusted EPS, adjusted EBITDA, and adjusted EBITDA margin are non-GAAP measures. See appendix for GAAP reconciliation.

Strong Backlog Provides Visibility and Confidence in Uncertain Environment

Pro Forma Backlog[1]



Commentary

- Strong underlying demand in our key end markets maintains our strong backlog position
- Continued demand for large polyolefin projects, particularly in Asia drives significant year-over-year backlog growth in APS
- Solid demand across multiple end markets within MTS, particularly for our injection molding product line drives record MTS backlog
- Approximately 23% of total backlog is scheduled beyond the next twelve months

[1] Pro forma backlog comparisons exclude the divested Red Valve, ABEL, and TerraSource Global businesses. See appendix for reconciliation.

Segment Performance: Advanced Process Solutions ($M)

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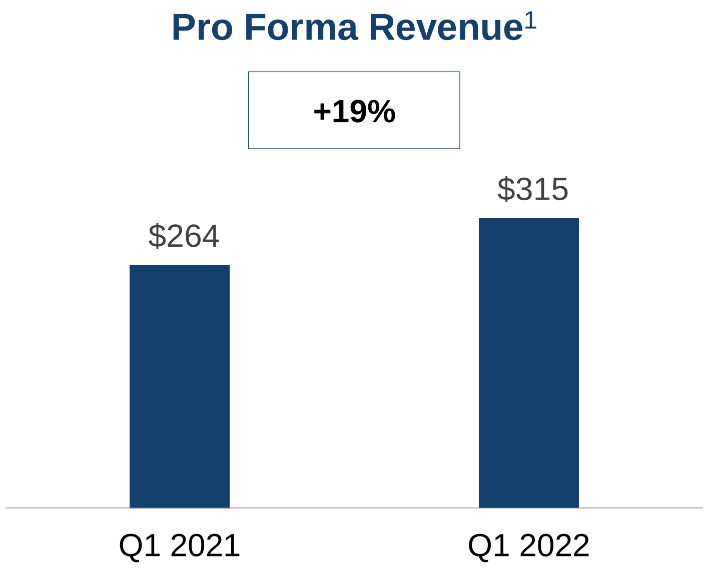
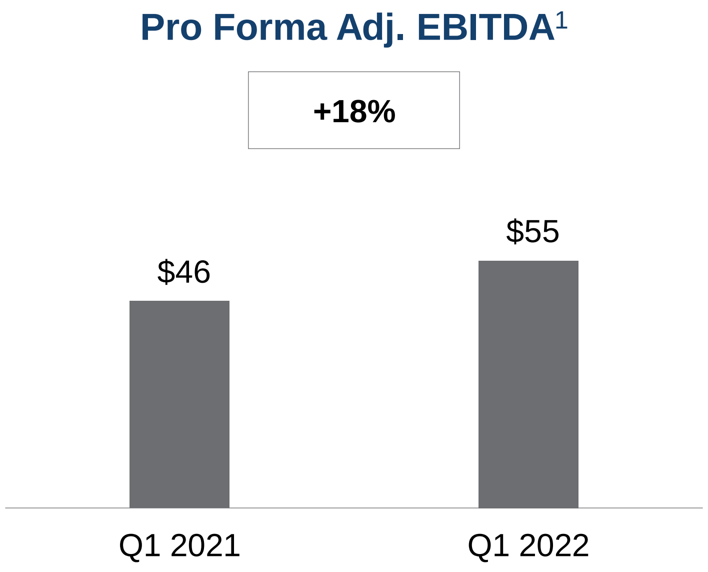
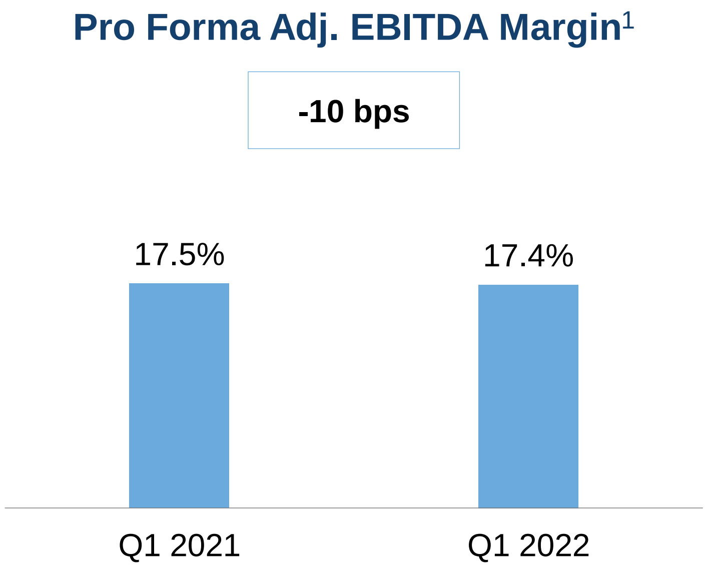






Performance Highlights

- Revenue of $315 million increased 19% on a pro forma basis[1] driven by higher volume of large plastics projects, favorable pricing, and higher sales of aftermarket parts and service; excluding the impact of foreign currency, revenue increased 22% on a pro forma basis
- Adj. EBITDA of $55 million increased 18% on a pro forma basis[1], while adj. EBITDA margin[1] of 17.4% decreased 10 basis points vs. prior year as operating leverage from higher volume, favorable pricing, and productivity improvements were more than offset by inflation, unfavorable mix, and strategic investments
- Backlog of $1.3 billion increased 27% on a pro forma basis[1] compared to the prior year, or 36% excluding the impact of foreign currency exchange, primarily driven by increased demand for large polyolefin systems

Business Update

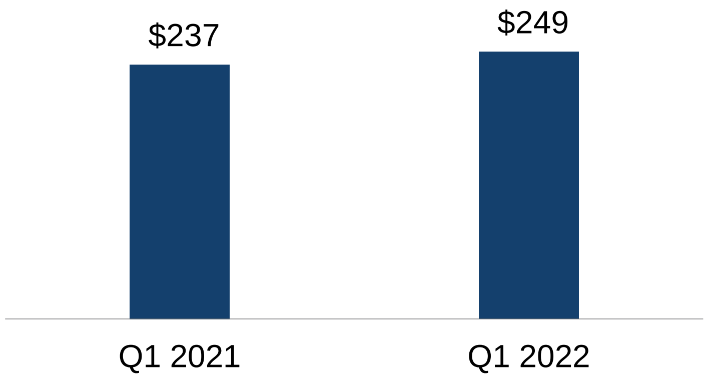
- Demand outlook remains solid for large polyolefin systems, particularly in Asia; continued focus on accelerating growth in strategic end markets of food, recycling, biopolymer, and battery
- Another strong quarter of aftermarket orders; however, aftermarket revenue was impacted by supply chain shortages
- Leveraging our Global Supply Management organization and continuing to work with key suppliers on mitigating supply chain disruptions
- Q1 margin was impacted by the lower mix of aftermarket revenue, which has higher margin relative to capital equipment, and isolated operational inefficiencies due to recent restructuring actions; expect operational issues to be largely mitigated in Q2
- Continue to expect price to generally cover material and supply chain inflation throughout the year

[1] Pro forma comparisons exclude the divested Red Valve, ABEL, and TerraSource Global businesses. Pro forma revenue, adjusted EPS, adjusted EBITDA, and adjusted EBITDA margin are non-GAAP measures. See appendix for GAAP reconciliation.

Segment Performance: Molding Technology Solutions ($M)

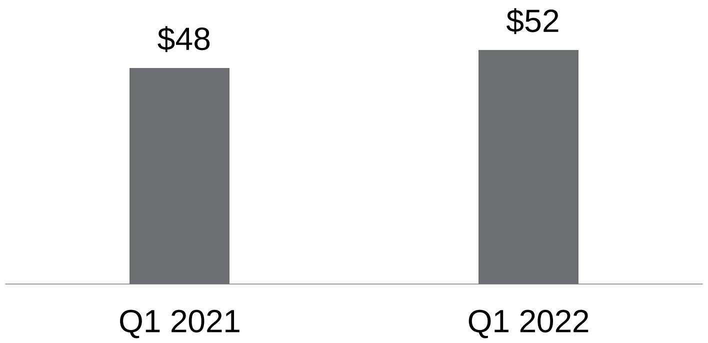
Revenue

+5%



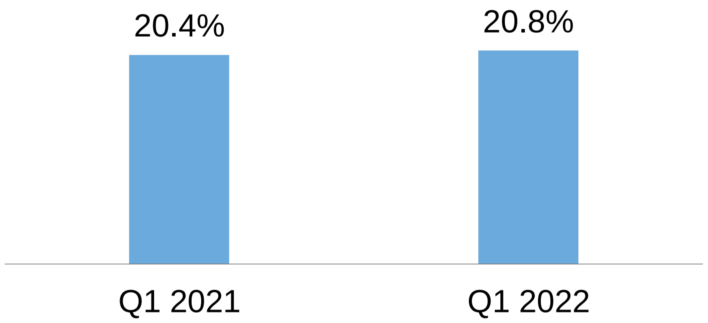
Adj. EBITDA[1]

+7%



Adj. EBITDA Margin[1]

+40 bps



Performance Highlights

- Revenue of $249 million increased 5% year over year with higher volume in injection molding and hot runner equipment; excluding the impact of foreign currency, revenue increased 6%
- Adj. EBITDA margin[1] of 20.8% increased 40 basis points as pricing, productivity improvements, including synergies, and operating leverage from higher volume more than offset inflation
- Record backlog of $406 million increased 39% year over year and 11% sequentially, primarily driven by an increase in orders for injection molding equipment

Business Update

- Key end markets remain healthy, as solid order volume drives backlog to record level
- We believe that underlying demand could support a higher level of sales, but we continue to see constraints due to supply chain and labor shortages
- Leveraging our Global Supply Management organization and continuing to work with key suppliers on mitigating supply chain disruptions
- Continued utilization of HOM to drive productivity improvements and synergies
- Price-cost coverage was ~70% in the quarter, which we expect to improve to ~100% throughout the year

[1] Adjusted EBITDA and adjusted EBITDA margin are non-GAAP measures. See appendix for GAAP reconciliation.

Segment Performance: Batesville ($M)

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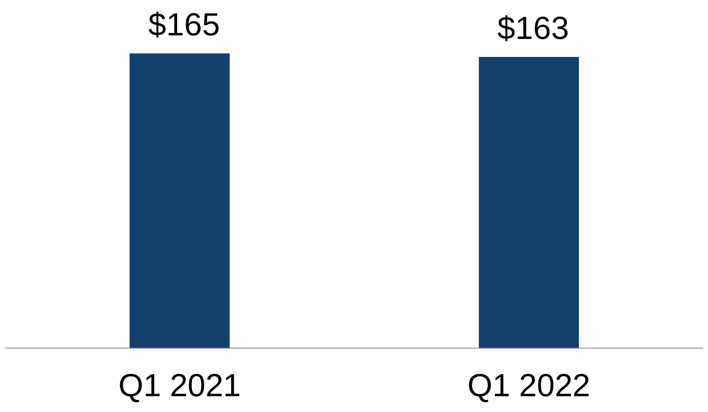
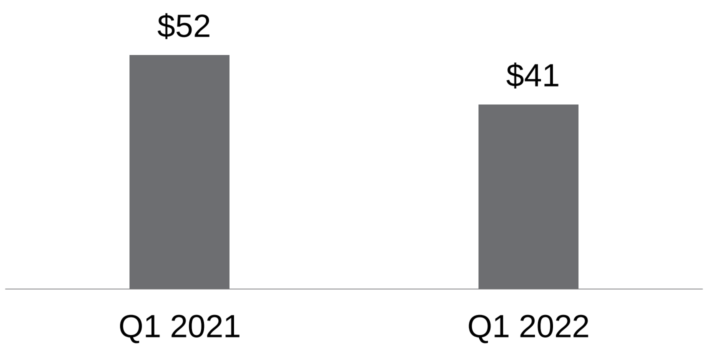
Revenue

-1%



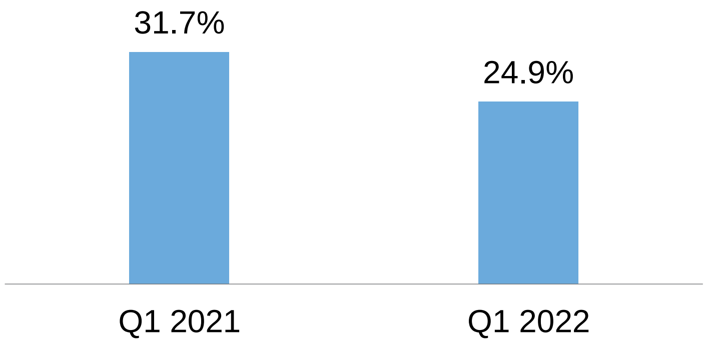
Adj. EBITDA[1]

-23%



Adj. EBITDA Margin[1]

-680 bps



Performance Highlights

- Revenue of $163 million decreased 1% year over year due to lower burial casket volume resulting from an estimated decrease in deaths associated with the COVID-19 pandemic and an estimated increase in the rate at which families opted for cremation, partially offset by higher average selling price
- Adj. EBITDA[1] of $41 million decreased 23% year over year and adj. EBITDA margin[1] of 24.9% decreased 680 basis points primarily due to inflation, higher transportation premiums, and the impact of lower volume, which more than offset the impact of higher average selling price

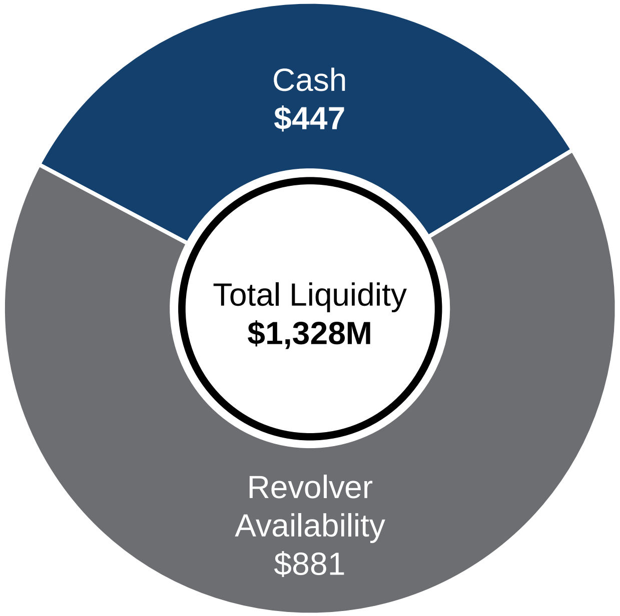
Business Update

- Burial volume was higher than expected coming into the quarter due to the impact of the Omicron variant, resulting in revenue and margin performance above our initial expectations
- Due to the significant inflation in commodities and transportation, price-cost coverage was ~40% in the quarter; effective January 1st, Batesville implemented a price surcharge to help offset the continued inflationary pressure, which is expected to improve price-cost coverage throughout the year; we will see margin dilution from this surcharge given it is a dollar-for-dollar offset to inflation
- We anticipate burial volume in Q2 to be lower sequentially based on current external forecasts, with continued normalization as we enter the 2H of FY22
- Once the elevated demand normalizes, the business plans to re-allocate resources to drive productivity projects

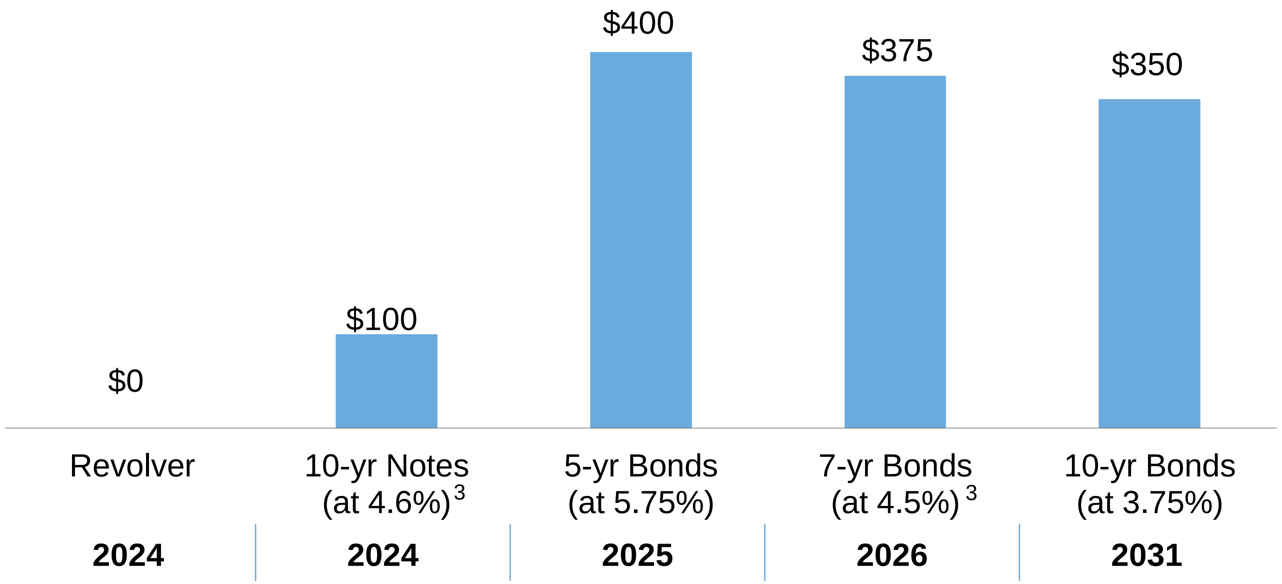
[1] Adjusted EBITDA and adjusted EBITDA margin are non-GAAP measures. See appendix for GAAP reconciliation.

Capital Position and Liquidity

Liquidity[1] ($M)



Debt Maturity Schedule[2] ($M)



- Net debt of $766 million; net leverage of 1.5x was essentially flat on sequential basis
- Returned approximately $45 million to shareholders in the quarter through share repurchases of $29 million and quarterly dividend of $16 million

[1] Cash and revolver amounts as of 12/31/21. [2] Debt maturity schedule is shown on a calendar year basis and reflects date of final payment due. [3] Interest rates subsequently stepped up to 5.85% (10-yr Notes) and 5.00% (7-yr Bonds).

Capital Deployment Priorities

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	Our Priorities
Reinvest in the Business • Drive innovation and new product development • Expand into new end markets and geographies • Improve operational efficiency through automation and digitization • Annual capex target of ~2% of revenue	Strategic investments for profitable growth
Strategic Acquisitions • Strategic focus: strengthen existing leadership positions and build targeted platforms • Disciplined approach: seek acquisitions with compelling financial returns	Evaluating strategic acquisitions to accelerate profitable growth
Return Cash to Shareholders • Dividend yield of 1.7%[1] • 14 consecutive years of $0.01 per share increases to dividend • Opportunistic share repurchases	New $300 million share repurchase plan authorized in December 2021, replacing the $50 million remaining under the prior program
Reduce Debt • Current net debt of $766M[1] with a Net Debt to Adj. EBITDA of 1.5x[1] • Strong track record of paying down debt rapidly post acquisition	No near-term debt maturities due

[1] As of 12/31/21.

Updated Business Outlook & Assumptions[1, 2]

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	$M, except EPS	Updated Range	YOY % / bps	Previous Range	YOY % / bps
REVENUE	APS	$1,275 – $1,315	*8 – 12%*	$1,275 – $1,315	*8 – 12%*
	MTS	$1,015 – $1,045	*2 – 5%*	$1,015 – $1,045	*2 – 5%*
	Batesville	$585 – $595	*(6) – (5%)*	$540 – $555	*(13) – (11%)*
	Total Hillenbrand	**$2,875 – $2,955**	***3 – 6%***	**$2,830 – $2,915**	***1 – 4%***
ADJ. EBITDA	APS	21.0 – 21.5%	*150 – 200 bps*	21.0 – 21.5%	*150 – 200 bps*
	MTS	20.0 – 21.0%	*(30) – 70 bps*	20.0 – 21.0%	*(30) – 70 bps*
	Batesville	20.0 – 21.0%	*(570) – (470) bps*	19.0 – 20.0%	*(670) – (570) bps*
	Total Hillenbrand	**$525 – $559**	***(2) – 5%***	**$508 – $548**	***(5) – 3%***
ADJ. EPS	**Full Year FY22**	**$3.80 – $4.00**	**Flat – 6%**	**$3.70 – $4.00**	**(2%) – 6%**
	Fiscal Q2	**$0.96 – $1.02**	**(2%) – 4%**		

Key Assumptions

- Strong backlog and the underlying demand of our key end markets remain healthy, resulting in solid industrial performance
- Global supply chain disruptions and labor shortages continue to impact MTS and APS throughout FY 2022
- COVID-related deaths expected to decline in Q2 vs. Q1, with more significant decline in 2H of FY22, in line with external forecasts
- Full year material and supply chain inflation of ~$120 million with price-cost coverage improving to ~100% throughout the year
- FX headwind of ~3% within APS, ~1% in MTS, ~2% consolidated

Other FY 2022 Assumptions

~100%	~$75M	~$12-15M	~$15-20M	~$60M	~$55M	~$72M	~28-30%	~73.5M
Free Cash Flow / Adj. NI[2]	Capital Expenditures	YOY Synergy Realization	Integration Costs	Depreciation	Intangible Amortization	Interest Expense, Net	Adj. ETR[2]	Avg. Diluted Share Count

[1] Figures presented on Pro Forma basis, except adjusted EPS. Pro forma comparisons exclude the divested Red Valve, ABEL, and TerraSource Global businesses. Pro forma revenue, pro forma adjusted EBITDA, pro forma adjusted EBITDA margin, adjusted Net Income, and adjusted EPS are non-GAAP measures. See appendix for GAAP reconciliation.
[2] Hillenbrand does not attempt to provide reconciliations for forward-looking non-GAAP earnings guidance. See appendix for further information.

Key Takeaways

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01.

Demand continues to be solid across our key industrial end markets and our **strong backlog** provides visibility and confidence for the remainder of FY22 and beyond

02.

Milacron **integration remains on track** to deliver $75M of year-three run-rate synergies

03.

Hillenbrand Operating Model enables our strong execution in a challenging environment

04.

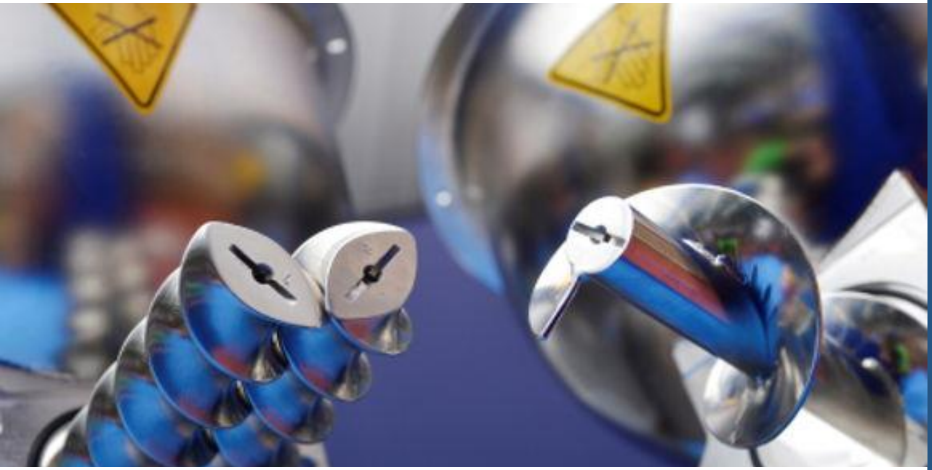
Exciting opportunities to leverage our capabilities and **accelerate growth in strategic end markets** supported by demand for more sustainable solutions

05.

Strong and flexible balance sheet and **disciplined capital allocation framework** to drive profitable growth and long-term shareholder value



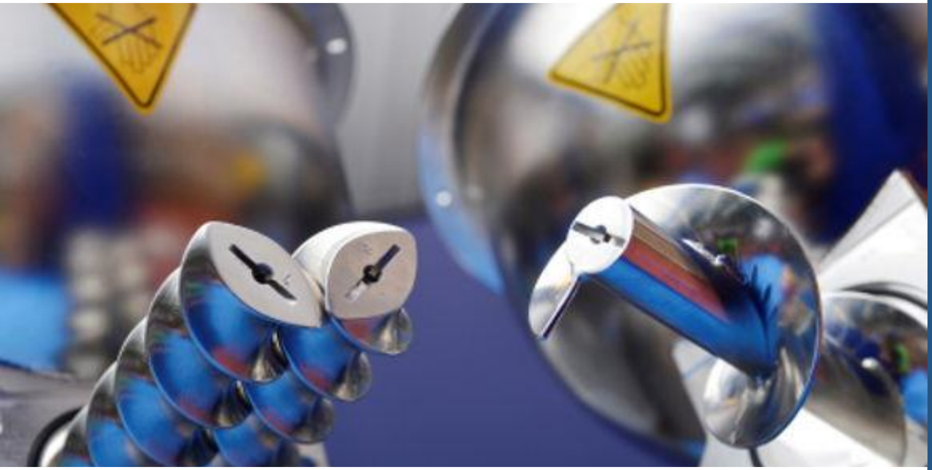




Q&A

Replay Information

- Dial-in for US and Canada: **1-877-660-6853**
- Dial-in for International: **+1-201-612-7415**
- Conference ID: **13726426**
- Date/Time: Available until midnight ET, Thursday, February 17, 2022
- Log-on to: **http://ir.hillenbrand.com**



APPENDIX

Disclosure Regarding Non-GAAP Measures

While we report financial results in accordance with United States generally accepted accounting principles (GAAP), we also provide certain non-GAAP operating performance measures. We believe this information provides a higher degree of transparency, as further set forth in our earnings release for this quarter. These non-GAAP measures are referred to as “adjusted” measures and exclude the following items:

- business acquisition, disposition, and integration costs;
- restructuring and restructuring related charges;
- intangible asset amortization;
- certain debt financing activities;
- gains and losses on divestitures;
- the related income tax impact for all of these items; and
- certain tax items related to the divestitures of TerraSource Global and Red Valve, the revaluation of deferred tax balances in connection with enacted statutory tax rate reductions in certain foreign jurisdictions, the impact the Milacron loss carryforward attributes have on tax provisions related to the imposition of tax on Global Intangible Low-Taxed Income (GILTI) earned by certain foreign subsidiaries, the Foreign Derived Intangible Income Deduction (FDII), and the Base Erosion and Anti-Abuse Tax (BEAT).

One important non-GAAP measure Hillenbrand uses is adjusted earnings before interest, income tax, depreciation, and amortization (“adjusted EBITDA”). A part of our strategy is to pursue acquisitions that strengthen or establish leadership positions in key markets. Given that strategy, it is a natural consequence to incur related expenses, such as amortization from acquired intangible assets and additional interest expense from debt-funded acquisitions. Accordingly, we use adjusted EBITDA, among other measures, to monitor our business performance. We also use “adjusted net income” and “adjusted diluted earnings per share (EPS),” which are defined as net income and earnings per share, respectively, each excluding items described in connection with adjusted EBITDA. Adjusted EBITDA, adjusted net income, and adjusted diluted EPS are not recognized terms under GAAP and therefore do not purport to be alternatives to net (loss) income or to diluted EPS, as applicable. Further, Hillenbrand’s measures of adjusted EBITDA, adjusted net income, or adjusted diluted EPS may not be comparable to similarly titled measures of other companies.

Pro forma revenue and pro forma adjusted EBITDA are defined respectively as net revenue and adjusted EBITDA excluding net revenue and adjusted EBITDA directly attributable to Red Valve which was divested on December 31, 2020, ABEL which was divested on March 10, 2021, and TerraSource Global which was divested on October 22, 2021. Hillenbrand uses pro forma measures to assess performance of its reportable segments and the Company in total without the impact of recent acquisitions and divestitures.

Free cash flow (“FCF”) is defined as cash flow from operations less capital expenditures. Hillenbrand considers FCF an important indicator of the Company’s liquidity, as well as its ability to fund future growth and to provide a return to shareholders. FCF does not include deductions for debt service (repayments of principal), other borrowing activity, dividends on the Company’s common stock, repurchases of the Company’s common stock, business acquisitions, and other items.

Hillenbrand calculates the foreign currency impact on net revenue in order to better measure the comparability of results between periods. We calculate the foreign currency impact by translating current year results at prior year foreign exchange rates. This information is provided because exchange rates can distort the underlying change in sales, either positively or negatively.

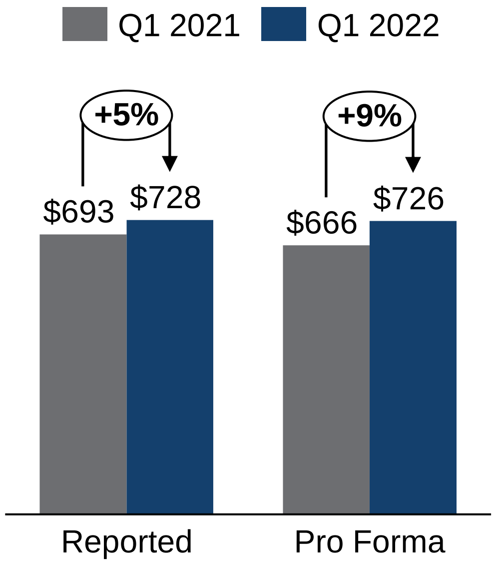
In addition, forward-looking adjusted earnings per share for fiscal 2022 excludes potential charges or gains that may be recorded during the fiscal year, including among other things, items described above in connection with other “adjusted” measures. Hillenbrand thus also does not attempt to provide reconciliations of forward-looking non-GAAP earnings guidance to the comparable GAAP measure, as permitted by Item 10(e)(1)(i)(B) of Regulation S-K, because the impact and timing of these potential charges or gains is inherently uncertain and difficult to predict and is unavailable without unreasonable efforts. In addition, the company believes such reconciliations would imply a degree of precision and certainty that could be confusing to investors. Such items could have a substantial impact on GAAP measures of Hillenbrand’s financial performance.

OTHER OPERATING MEASURES

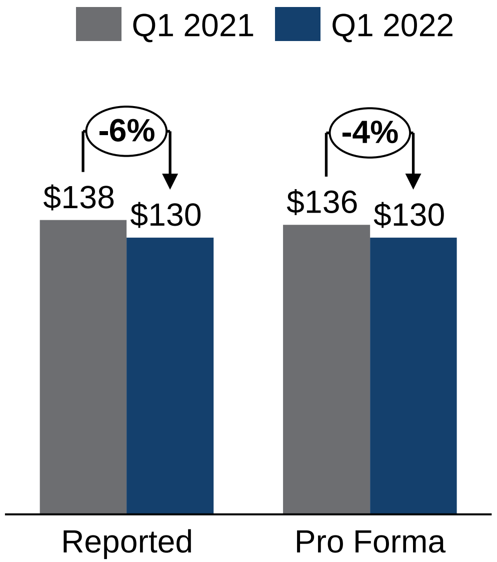
Another important operational measure used is backlog. Backlog is not a term recognized under GAAP; however, it is a common measurement used in industries with extended lead times for order fulfillment (long-term contracts), like those in which the Advanced Process Solutions and Molding Technology Solutions reportable operating segments compete. Backlog represents the amount of net revenue that we expect to realize on contracts awarded to Advanced Process Solutions and Molding Technology Solutions reportable operating segments. For purposes of calculating backlog, 100% of estimated net revenue attributable to consolidated subsidiaries is included. Backlog includes expected net revenue from large systems and equipment, as well as aftermarket parts, components, and service. The length of time that projects remain in backlog can span from days for aftermarket parts or service to approximately 18 to 24 months for larger system sales within the Advanced Process Solutions reportable operating segment. The majority of the backlog within the Molding Technology Solutions reportable operating segment is expected to be fulfilled within the next twelve months. Backlog includes expected revenue from the remaining portion of firm orders not yet completed, as well as net revenue from change orders to the extent that they are reasonably expected to be realized. Hillenbrand includes in backlog the full contract award, including awards subject to further customer approvals, which we expect to result in revenue in future periods. In accordance with industry practice, Hillenbrand’s contracts may include provisions for cancellation, termination, or suspension at the discretion of the customer. Given that backlog is an operational measure and that the Company’s methodology for calculating backlog does not meet the definition of a non-GAAP measure, as that term is defined by the SEC, a quantitative reconciliation is not required or provided.

Comparison of Reported / Pro Forma Results – Q1 ($M)

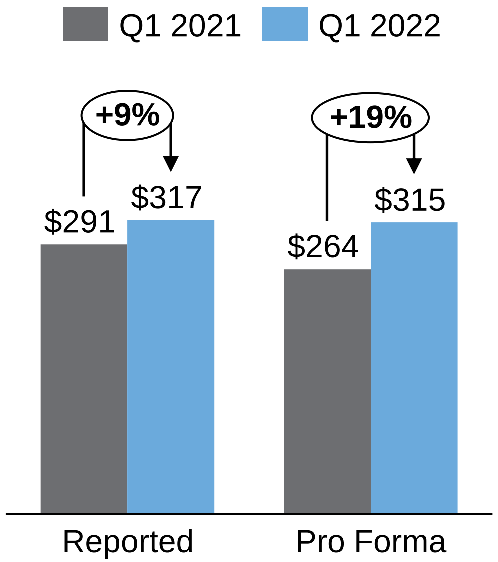
Consolidated Revenue[1]



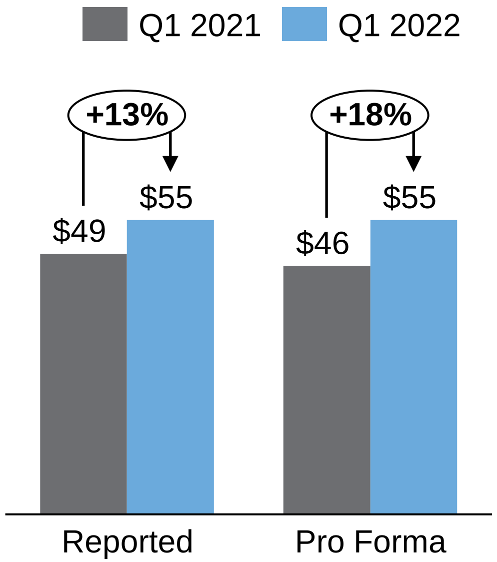
Consolidated Adj. EBITDA[1]



APS Revenue[1]



APS Adj. EBITDA[1]



[1] Pro forma results exclude the divested Red Valve, ABEL, and TerraSource Global businesses. Pro forma revenue and adjusted EBITDA are non-GAAP measures. See appendix for GAAP reconciliation

Reconciliation of Adjusted EBITDA to Consolidated Net Income

HILLENBRAND

(in millions)	Three Months Ended December 31, 2021	2020
Adjusted EBITDA:		
Advanced Process Solutions	$ 54.6	$ 48.5
Molding Technology Solutions	51.8	48.4
Batesville	40.5	52.3
Corporate	(17.2)	(11.2)
Less:		
Interest income	(0.9)	(0.6)
Interest expense	17.9	21.2
Income tax expense	23.3	31.3
Depreciation and amortization	27.9	29.3
Business acquisition, disposition, and integration costs	7.6	9.1
Restructuring and restructuring-related charges	0.7	1.5
Loss (gain) on divestitures	3.1	(31.6)
Other	-	0.1
Consolidated net income	$ 50.1	$ 77.7

Reconciliation of Non-GAAP Measures

HILLENBRAND

	Three Months Ended December 31, 2021	Three Months Ended December 31, 2020
Net income attributable to Hillenbrand	$ 49.0	$ 76.4
Business acquisition, disposition, and integration costs	7.6	9.7
Restructuring and restructuring-related charges	0.7	1.5
Intangible asset amortization	13.7	13.6
Loss (gain) on divestitures	3.1	(31.6)
Debt financing activities	-	0.6
Other	-	0.1
Tax effect of adjustments	(4.8)	(5.7)
Tax adjustments	(0.2)	7.7
Adjusted net income attributable to Hillenbrand	$ 69.1	$ 72.3

	Three Months Ended December 31, 2021	Three Months Ended December 31, 2020
Diluted EPS	$ 0.67	$ 1.01
Business acquisition, disposition, and integration costs	0.10	0.13
Restructuring and restructuring-related charges	0.01	0.02
Intangible asset amortization	0.19	0.18
Loss (gain) on divestitures	0.04	(0.42)
Debt financing activities	-	0.01
Other	-	-
Tax effect of adjustments	(0.07)	(0.07)
Tax adjustments	-	0.10
Adjusted Diluted EPS	$ 0.94	$ 0.96

Reconciliation of Pro Forma Adjusted EBITDA to Consolidated Net Income (Loss)

HILLENBRAND

(in millions)	Three Months Ended December 31, 2021	Three Months Ended December 31, 2020	Year Ended September 30, 2021
Consolidated net income	$ 50.1	$ 77.7	$ 255.2
Interest income	(0.9)	(0.6)	(3.4)
Interest expense	17.9	21.2	77.6
Income tax expense	23.3	31.3	98.6
Depreciation and amortization	27.9	29.3	115.2
EBITDA	118.3	158.9	543.2
Business acquisition, disposition, and integration costs	7.6	9.1	34.5
Restructuring and restructuring-related charges	0.7	1.5	14.5
Loss (gain) on divestitures	3.1	(31.6)	(67.1)
Other	-	0.1	1.9
Adjusted EBITDA	129.7	138.0	538.2
Pro forma adjustments (see below)	-	(2.2)	(4.1)
Pro forma adjusted EBITDA	**$ 129.7**	**$ 135.8**	**$ 534.1**
Pro forma adjustments:			
Less: ABEL adjusted EBITDA [1]	$ -	$ (2.0)	$ (3.3)
Less: Red Valve adjusted EBITDA [2]	-	(1.4)	(1.4)
Less: TerraSource adjusted EBITDA [3]	-	1.2	0.6
Pro forma adjustments to adjusted EBITDA	$ -	$ (2.2)	$ (4.1)
Pro forma adjusted EBITDA by segment and corporate:			
Advanced Process Solutions	$ 54.6	$ 46.3	$ 230.4
Molding Technology Solutions	51.8	48.4	201.8
Batesville	40.5	52.3	160.2
Corporate	(17.2)	(11.2)	(58.3)
	$ 129.7	**$ 135.8**	**$ 534.1**

(1) The ABEL business, which was included within the Advanced Process Solutions reportable operating segment, was divested on March 10, 2021.

(2) The Red Valve business, which was included within the Advanced Process Solutions reportable operating segment, was divested on December 31, 2020.

(3) The TerraSource Global business, which was included within the Advanced Process Solutions reportable operating segment, was divested on October 22, 2021.

Reconciliation of Pro Forma Revenue to Reported Revenue

(in millions)	Three Months Ended December 31, 2021	2020	Year Ended September 30, 2021
Advanced Process Solutions net revenue	$ 317.1	$ 290.8	$ 1,245.7
Less: ABEL net revenue [1]	-	(8.7)	(15.5)
Less: Red Valve net revenue [2]	-	(8.0)	(8.0)
Less: TerraSource net revenue [3]	(2.4)	(10.0)	(44.7)
Advanced Process Solutions pro forma net revenue	**314.7**	**264.1**	**1,177.5**
Molding Technology Solutions net revenue	**248.8**	**236.9**	**995.7**
Batesville net revenue	**162.5**	**164.8**	**623.4**
Consolidated pro forma net revenue	**$ 726.0**	**$ 665.8**	**$ 2,796.6**

(1) The ABEL business, which was included within the Advanced Process Solutions reportable operating segment, was divested on March 10, 2021.

(2) The Red Valve business, which was included within the Advanced Process Solutions reportable operating segment, was divested on December 31, 2020.

(3) The TerraSource Global business, which was included within the Advanced Process Solutions reportable operating segment, was divested on October 22, 2021.

Reconciliation of Pro Forma Backlog to Reported Backlog

HILLENBRAND

(in millions)	December 31, 2021	September 30, 2021	December 31, 2020
Advanced Process Solutions backlog	$ 1,318.4	$ 1,349.4	$ 1,070.6
Less: ABEL backlog [1]	-	-	(14.0)
Less: TerraSource backlog [2]	-	(36.6)	(21.7)
Advanced Process Solutions pro forma backlog	**1,318.4**	**1,312.8**	**1,034.9**
Molding Technology Solutions backlog	**406.4**	**365.6**	**292.0**
Consolidated pro forma backlog	**$ 1,724.8**	**$ 1,678.4**	**$ 1,326.9**

(1) The ABEL business, which was included within the Advanced Process Solutions reportable operating segment, was divested on March 10, 2021.

(2) The TerraSource Global business, which was included within the Advanced Process Solutions reportable operating segment, was divested on October 22, 2021.