HILLENBRAND

A GLOBAL DIVERSIFIED INDUSTRIAL COMPANY

PURSUING GROWTH • BUILDING VALUE

Hillenbrand Participants

Joe Raver

- President and Chief Executive Officer

Kristina Cerniglia

- Senior Vice President and Chief Financial Officer

Disclosure Regarding Forward-Looking Statements

Forward-Looking Statements and Factors That May Affect Future Results:

Throughout this presentation, we make a number of “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. As the words imply, these are statements about future plans, objectives, beliefs, and expectations 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 are subject to a wide range of risks.

Accordingly, in this presentation, we may say something like,

“We *expect* that future revenue associated with the Process Equipment Group will be influenced by order backlog.”

That is a forward-looking statement, as indicated by the word “expect” and by the clear meaning of the sentence.

Other words that could indicate we are making forward-looking statements include:

intend	**believe**	**plan**	**expect**	**may**	**goal**	**would**
become	**pursue**	**estimate**	**will**	**forecast**	**continue**	**could**
targeted	**encourage**	**promise**	**improve**	**progress**	**potential**	**should**

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, and our actual results 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.

For a discussion of factors that could cause actual results to differ from those contained in forward-looking statements, see the discussions under the heading “Risk Factors” in Item 1A of Part I of our Form 10-K for the year ended September 30, 2016, and in Part II, Item 1A of our 10-Q for the quarter ended March 31, 2017, located on our website and filed with the SEC. We assume no obligation to update or revise any forward-looking statements.

Hillenbrand’s Strategy Is Focused On Three Key Areas

- Develop Hillenbrand into a world-class global diversified industrial company
- Leverage our strong financial foundation and the Hillenbrand Operating Model to deliver sustainable profit growth, revenue expansion, and free cash flow
- Reinvest this cash in new growth initiatives, both organic and inorganic, that create shareholder value

Q2 FY 2017 Highlights

Q2 2017 Consolidated Highlights

- Revenue of $395 million increased 2%, including negative currency impact of 1%
- GAAP EPS of $0.52 increased 26%, while adjusted EPS[1] of $0.53 was up 9% compared to prior year

PEG Q2 2017 Highlights

- Revenue of $244 million increased 4%
- Adjusted EBITDA margin[1] was 15.3%, up 50 bps compared to prior year

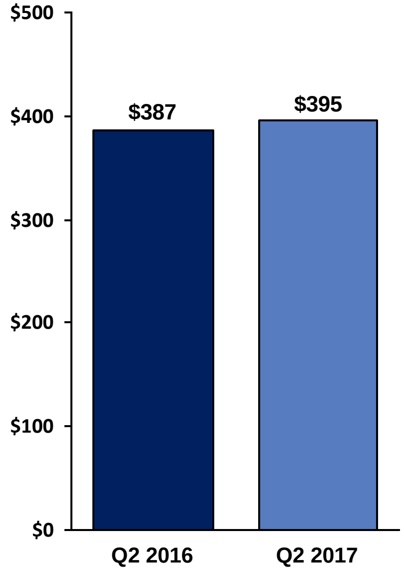
Batesville Q2 2017 Highlights

- Revenue of $151 million was in line with prior year
- Adjusted EBITDA margin[1] of 28.2% was down 20 bps compared to prior year

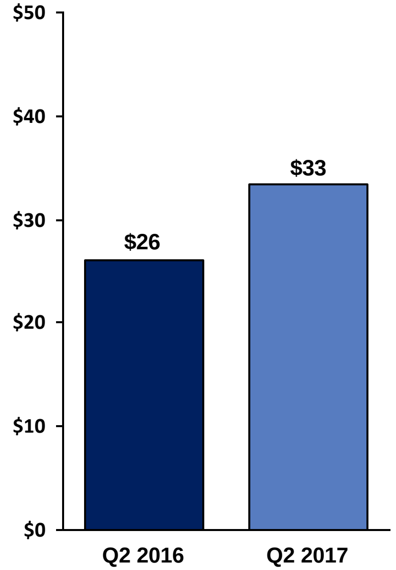
[1]See appendix for reconciliation

Consolidated Financial Performance – Q2 2017

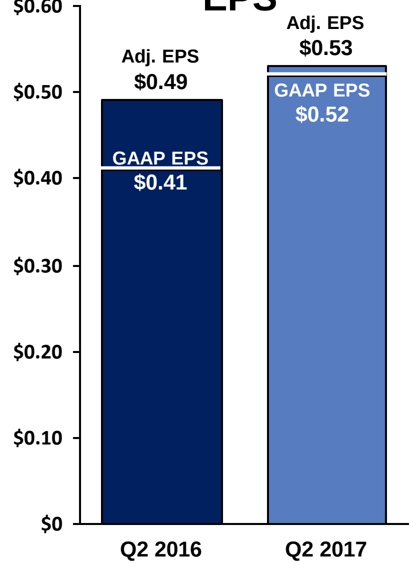
Revenue



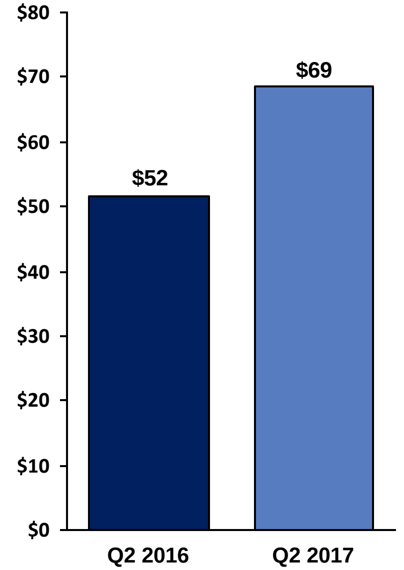
Net Income[1]



GAAP & Adjusted EPS[2]



Operating Cash Flow



Hillenbrand Consolidated

Q2 2017 Consolidated Composition:

	Revenue	Adj. EBITDA[2]
Process Equipment Group	62%	47%
Batesville	38%	53%
Total	**100%**	**100%**

Q2 2017 Consolidated Summary:

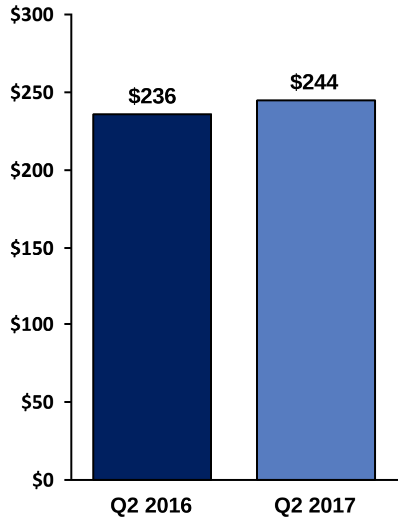
- Revenue increased 2% to $395 million driven by demand for large plastics projects and the acquisition of Red Valve
- GAAP net income increased 28% to $33 million, adjusted EBITDA[2] of $70 million increased 4%; adjusted EBITDA margin[2] of 17.8% was up 30 bps driven by PEG
- Operating cash flow of $69 million was generated in the quarter, which was up $17 million over prior year primarily due to strong net income

[1]Net Income attributable to Hillenbrand
[2]See appendix for reconciliation

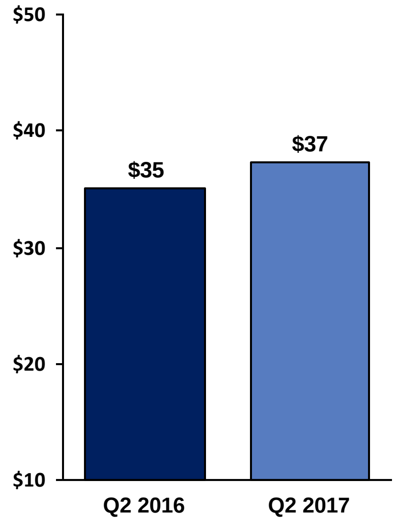
Segment Performance – Q2 2017

Process Equipment Group

Revenue

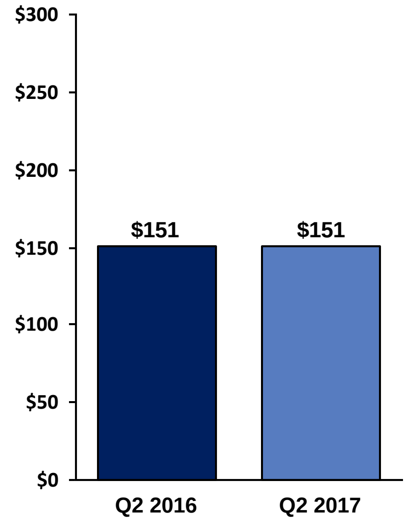


Adjusted EBITDA[1]

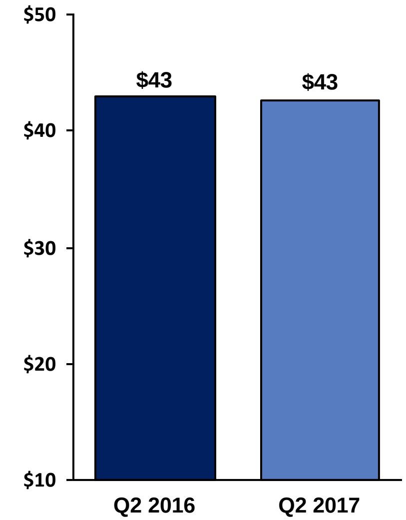


Batesville

Revenue



Adjusted EBITDA[1]



Process Equipment Group

Q2 2017 Summary:

- Revenue of $244 million was up 4% over prior year driven by screening equipment, continued strength in large plastics projects and the acquisition of Red Valve, partially offset by unfavorable FX and lower demand in other industrial markets
- Adjusted EBITDA margin[1] increased 50 bps as pricing improvements, restructuring savings, and increased earnings associated with Red Valve were offset by unfavorable product mix and foreign currency

Batesville

Q2 2017 Summary:

- Revenue of $151 million was in line with the prior year as burial demand was relatively flat
- Adjusted EBITDA margin[1] of 28.2% was lower by 20 bps compared to prior year as the impact of higher commodity and fuel costs was mostly offset by savings from restructuring and productivity improvements

[1]See appendix for reconciliation

Hillenbrand Outlook: Narrowing FY 2017 EPS Guidance

Revenue Range		
Batesville	-3%	-1%
PEG	3%	5%
Total	**1%**	**3%**

EPS Range						
	Original			**Revised**		
FY17 GAAP EPS	**1.80**	**–**	**1.95**	**1.85**	**–**	**1.95**
Restructuring Charges	0.15	–	0.15	0.15	–	0.15
FY17 Adjusted EPS	**1.95**	**–**	**2.10**	**2.00**	**–**	**2.10**

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Q & A

Replay Information

- ***Dial In: (800)-585-8367***
- ***International: +1 (416)-621-4642***
- ***Conference ID: 6255022***
- ***Encore Replay Dates: 05/04/2017 - 05/18/2017***
- ***Log on to: http://ir.hillenbrand.com***

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Appendix

Disclosure Regarding Non-GAAP Measures

While we report financial results in accordance with accounting principles generally accepted in the United States (GAAP), we also provide certain non-GAAP operating performance measures. These non-GAAP measures are referred to as "adjusted" and exclude expenses associated with backlog amortization, inventory step-up, business acquisition and integration, restructuring and restructuring related charges. The related income tax for all of these items is also excluded. This non-GAAP information is provided as a supplement, not as a substitute for, or as superior to, measures of financial performance prepared in accordance with GAAP.

One important non-GAAP measure that we use is adjusted earnings before interest, income tax, depreciation, and amortization ("adjusted EBITDA"). A part of our strategy is to selectively acquire companies that we believe can benefit from our core competencies to spur faster and more profitable growth. 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.

Another important non-GAAP measure that we use is backlog. Backlog is not a term recognized under GAAP; however, it is a common measurement used in the Process Equipment Group industry. Order backlog represents the amount of consolidated revenue that we expect to realize on contracts awarded related to the Process Equipment Group. Backlog includes expected revenue from large systems and equipment, as well as replacement parts, components, and service. Given that there is no GAAP financial measure comparable to backlog, a quantitative reconciliation is not provided.

We use this non-GAAP information internally to make operating decisions and believe it is helpful to investors because it allows more meaningful period-to-period comparisons of our ongoing operating results. The information can also be used to perform trend analysis and to better identify operating trends that may otherwise be masked or distorted by these types of items. The Company believes this information provides a higher degree of transparency.

Q2 FY17 & Q2 FY16 Reconciliation Of EBITDA To Consolidated Net Income

	Three Months Ended March 31,		Six Months Ended March 31,	
	2017	2016	2017	2016
EBITDA - adjusted				
Process Equipment Group	$ 37.3	$ 35.0	$ 70.0	$ 67.9
Batesville	42.7	43.0	73.7	74.9
Corporate	(9.7)	(10.2)	(17.0)	(17.2)
Less:				
Interest income	(0.1)	(0.2)	(0.3)	(0.5)
Interest expense	6.3	6.4	12.4	12.3
Income tax expense	14.9	12.3	21.6	21.0
Depreciation and amortization	13.6	15.9	28.6	31.9
Business acquisition and integration	0.3	1.1	0.6	2.8
Inventory step-up	-	1.1	-	2.5
Restructuring and restructuring related	1.3	4.0	7.9	7.4
Consolidated net income	$ 34.0	$ 27.2	$ 55.9	$ 48.2

$ in millions, except for per share data

Q2 FY17 & Q2 FY16 Reconciliation Of Non-GAAP Measures

	Three Months Ended March 31,				Six Months Ended March 31,			
	2017		2016		2017		2016	
Net Income (1)	$	33.4	$	26.1	$	55.1	$	46.1
Restructuring and restructuring related		1.3		4.0		9.4		7.4
Business acquisition and integration		0.3		1.1		0.6		2.8
Inventory step-up		-		1.1		-		2.5
Backlog amortization		-		1.4		-		4.6
Tax effect of adjustments		(0.6)		(2.7)		(3.7)		(6.0)
Adjusted Net Income (1)	$	34.4	$	31.0	$	61.4	$	57.4

	Three Months Ended March 31,				Six Months Ended March 31,			
	2017		2016		2017		2016	
Diluted EPS	$	0.52	$	0.41	$	0.86	$	0.72
Restructuring and restructuring related		0.02		0.06		0.15		0.12
Business acquisition and integration		-		0.02		0.01		0.04
Inventory step-up		-		0.02		-		0.04
Backlog amortization		-		0.02		-		0.07
Tax effect of adjustments		(0.01)		(0.04)		(0.06)		(0.09)
Adjusted Diluted EPS	$	0.53	$	0.49	$	0.96	$	0.90

[1] Net income attributable to Hillenbrand

$ in millions, except for per share data