
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 10-Q

**Quarterly Report Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

For the quarterly period ended March 31, 2012

Commission File No. 001-33794

HILLENBRAND, INC.

(Exact name of registrant as specified in its charter)

Indiana
(State of incorporation)

26-1342272
(I.R.S. Employer Identification No)

One Batesville Boulevard
Batesville, IN
(Address of principal executive offices)

47006
(Zip Code)

Telephone: **(812) 934-7500**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Indicate by check mark whether the registrant is a shell Company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The registrant had 62,590,266 shares of common stock, no par value per share, outstanding as of May 2, 2012.

**HILLENBRAND, INC.
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SIGNATURES

| | |
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| Exhibit 10.1 | Employment Agreement, dated as of January 30, 2012, between Hillenbrand, Inc. and Scott P. George |
| Exhibit 31.1 | |
| Exhibit 31.2 | |
| Exhibit 32.1 | |
| Exhibit 32.2 | |
| Exhibit 101 | Instance document |
| Exhibit 101 | Schema document |
| Exhibit 101 | Calculation linkbase document |
| Exhibit 101 | Labels linkbase document |
| Exhibit 101 | Presentation linkbase document |
| Exhibit 101 | Definition linkbase document |

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PART I — FINANCIAL INFORMATION

Item 1. FINANCIAL STATEMENTS

Hillenbrand, Inc.

Consolidated Statements of Income (Unaudited)

(in millions, except per share data)

| | Three Months Ended March 31, | | Six Months Ended March 31, | |
|---|---------------------------------|-----------|-------------------------------|-----------|
| | 2012 | 2011 | 2012 | 2011 |
| Net revenue | \$ 259.7 | \$ 230.0 | \$ 491.3 | \$ 441.0 |
| Cost of goods sold | 155.4 | 128.1 | 293.3 | 247.9 |
| Gross profit | 104.3 | 101.9 | 198.0 | 193.1 |
| Operating expenses | 60.5 | 54.1 | 120.8 | 103.2 |
| Operating profit | 43.8 | 47.8 | 77.2 | 89.9 |
| Interest expense | 2.8 | 2.9 | 5.7 | 5.7 |
| Other income (expense) | (0.3) | 5.6 | (0.8) | 8.6 |
| Income before income taxes | 40.7 | 50.5 | 70.7 | 92.8 |
| Income tax expense | 13.3 | 17.5 | 12.0 | 32.7 |
| Net income | \$ 27.4 | \$ 33.0 | \$ 58.7 | \$ 60.1 |
| Basic earnings per share | \$ 0.44 | \$ 0.53 | \$ 0.95 | \$ 0.97 |
| Diluted earnings per share | \$ 0.44 | \$ 0.53 | \$ 0.94 | \$ 0.97 |
| Weighted average shares outstanding — basic | 62.2 | 62.1 | 62.1 | 62.0 |
| Weighted average shares outstanding — diluted | 62.6 | 62.1 | 62.4 | 62.0 |
| Cash dividends per share | \$ 0.1925 | \$ 0.1900 | \$ 0.3850 | \$ 0.3800 |

See Condensed Notes to Consolidated Financial Statements

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Hillenbrand, Inc.

Consolidated Balance Sheets (Unaudited)

(in millions)

| | March 31, 2012 | September 30, 2011 |
|------------------------------------|-------------------|-----------------------|
| ASSETS | | |
| Current Assets | | |
| Cash and cash equivalents | \$ 60.1 | \$ 115.5 |
| Trade receivables, net | 134.5 | 131.7 |
| Inventories | 91.5 | 83.7 |
| Deferred income taxes | 23.0 | 28.3 |
| Other current assets | 28.8 | 20.9 |
| Total current assets | 337.9 | 380.1 |
| Property, plant and equipment, net | 116.2 | 120.6 |
| Intangible assets, net | 321.3 | 332.8 |
| Goodwill | 300.6 | 300.0 |
| Other assets | 45.9 | 47.2 |
| Total Assets | \$ 1,121.9 | \$ 1,180.7 |

| LIABILITIES | | | |
|---|-----------|----------------|-------------------|
| Current Liabilities | | | |
| Revolving credit facility | \$ | 199.0 | \$ — |
| Trade accounts payable | | 29.1 | 30.5 |
| Accrued compensation | | 27.2 | 36.6 |
| Other current liabilities | | 76.2 | 69.1 |
| Total current liabilities | | 331.5 | 136.2 |
| Long-term debt, less current portion | | 148.6 | 431.5 |
| Accrued pension and postretirement healthcare | | 111.1 | 108.5 |
| Deferred income taxes | | 18.5 | 30.1 |
| Other long-term liabilities | | 26.0 | 31.3 |
| Total Liabilities | | 635.7 | 737.6 |
| Commitments and contingencies | | | |
| SHAREHOLDERS' EQUITY | | | |
| Common stock, no par value, 63.2 and 63.4 shares issued, 62.6 and 62.5 shares outstanding, 0.6 and 0.6 restricted | | — | — |
| Additional paid-in capital | | 320.2 | 317.0 |
| Retained earnings | | 216.8 | 182.7 |
| Treasury stock, 0.6 and 0.9 shares | | (12.5) | (17.1) |
| Accumulated other comprehensive loss | | (38.3) | (39.5) |
| Total Shareholders' Equity | | 486.2 | 443.1 |
| Total Liabilities and Shareholders' Equity | \$ | 1,121.9 | \$ 1,180.7 |

See Condensed Notes to Consolidated Financial Statements

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Hillenbrand, Inc.

Consolidated Statements of Cash Flow (Unaudited)

(in millions)

| | Six Months Ended | |
|---|------------------|-----------------|
| | March 31, | |
| | 2012 | 2011 |
| Operating Activities | | |
| Net income | \$ 58.7 | \$ 60.1 |
| Adjustments to reconcile net income to cash provided by operating activities: | | |
| Depreciation and amortization | 21.7 | 17.3 |
| Deferred income taxes | (5.8) | (3.4) |
| Interest income on Forethought note | — | (5.8) |
| (Gain) loss of equity method investments | (0.4) | (3.0) |
| Share-based compensation | 6.9 | 6.2 |
| Trade accounts receivable | (2.3) | (9.2) |
| Inventories | (7.5) | (4.3) |
| Other current assets | (5.7) | 2.8 |
| Trade accounts payable | (1.5) | (1.9) |
| Accrued expenses and other current liabilities | (4.7) | (8.2) |
| Income taxes payable | (4.4) | (0.7) |
| Defined benefit plan funding | (1.2) | (1.3) |
| Defined benefit plan expense | 6.3 | 4.6 |
| Net cash provided by operating activities | <u>60.1</u> | <u>53.2</u> |
| Investing Activities | | |
| Capital expenditures | (8.1) | (8.4) |
| Proceeds from redemption and sales of auction rate securities and investments | — | 12.4 |
| Return of investment capital from affiliates | — | 2.6 |
| Net cash (used in) provided by investing activities | <u>(8.1)</u> | <u>6.6</u> |
| Financing Activities | | |
| Proceeds from revolving credit facilities | — | 20.0 |
| Repayments on revolving credit facilities | (84.0) | — |
| Payment of dividends on common stock | (23.8) | (23.5) |
| Other, net | — | 0.7 |
| Net cash used in financing activities | <u>(107.8)</u> | <u>(2.8)</u> |
| Effect of exchange rates on cash and cash equivalents | 0.4 | 4.9 |
| Net cash flow | (55.4) | 61.9 |
| Cash and cash equivalents | | |
| At beginning of period | 115.5 | 98.4 |
| At end of period | <u>\$ 60.1</u> | <u>\$ 160.3</u> |

See Condensed Notes to Consolidated Financial Statements

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Hillenbrand, Inc.

Condensed Notes to Consolidated Financial Statements (Unaudited)

(in millions, except share and per share data)

1. Background and Basis of Presentation

Hillenbrand, Inc. is a global diversified industrial company that makes and sells premium business-to-business products and services for a wide variety of industries. Hillenbrand has two business platforms, Batesville and the Process Equipment Group. Batesville is a recognized leader in the North American funeral products industry, and the Process Equipment Group is a recognized leader in the design and production of equipment and systems used in processing applications. "Hillenbrand," "the Company," "we," "us," "our," and similar words refer to Hillenbrand, Inc. and its subsidiaries.

The accompanying unaudited consolidated financial statements include the accounts of Hillenbrand, Inc. and its wholly owned subsidiaries. These unaudited financial statements have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission (SEC) for interim financial statements and therefore do not include all information required in accordance with accounting principles generally accepted in the United States (GAAP). The unaudited consolidated financial statements have been prepared on the same basis as the consolidated financial statements as of and for the fiscal year ended September 30, 2011. Certain prior period balances have been reclassified to conform to the current presentation. In the opinion of management, these financial statements reflect all normal and recurring adjustments considered necessary to present fairly the Company's consolidated financial position and the consolidated results of operations and cash flow as of the dates and for the periods presented.

The preparation of financial statements in conformity with GAAP requires us to make estimates and assumptions that affect the reported amounts of certain assets and liabilities and disclosures of contingent assets and liabilities as of the dates presented. Actual results could differ from those estimates. Examples of such estimates include, but are not limited to, the establishment of reserves related to customer rebates, allowance for doubtful accounts, warranties, early-pay discounts, inventories, income taxes, accrued litigation, self-insurance, and progress toward achievement of performance criteria under the incentive compensation programs.

2. Summary of Significant Accounting Policies

The accounting policies used in preparing these financial statements are consistent with the accounting policies described in our Annual Report on Form 10-K for the fiscal year ended September 30, 2011, filed with the SEC on November 28, 2011. The following represent additions and changes to significant accounting policies in the Form 10-K.

Recently Adopted and Issued Accounting Standards

In May 2011, the FASB issued *Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs (Topic 820, Fair Value Measurement)*. The new standard provides updates to measurement guidance and enhanced disclosure requirements. The most significant change is an expansion of the information required for Level 3 measurements based on unobservable inputs. The new disclosure requirements were effective for Hillenbrand beginning January 1, 2012. The adoption of this standard did not have a significant impact on our consolidated financial statements for the period presented.

In June 2011, the FASB issued an accounting standards update titled *Presentation of Comprehensive Income*. This update eliminates the current option to report other comprehensive income and its components in the statement of changes in equity. An entity can elect to present items of net income and other comprehensive income in one continuous statement or in two separate consecutive statements. Each component of net income and other comprehensive income, together with totals for comprehensive income and its two parts, net income and other comprehensive income, must be displayed under either alternative. The new disclosure requirements will be effective for Hillenbrand in our fiscal year beginning October 1, 2012. As the new standard relates to presentation only, we do not expect that the adoption of this standard will have a significant impact on our consolidated financial statements.

In September 2011, the FASB issued an accounting standards update titled *Intangibles — Goodwill and Other: Testing Goodwill for Impairment*. This update gives the option of performing a qualitative assessment to determine

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whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount and, in some cases, skipping the two-step impairment test. This standard will be effective for Hillenbrand for our fiscal year beginning October 1, 2012, and early adoption is permitted. We do not expect that the adoption of this standard will have a significant impact on our consolidated financial statements.

3. Business Acquisitions

We completed the acquisition of Rotex Global, LLC, on August 31, 2011. We have recorded the identifiable assets acquired and liabilities assumed at their fair values on the acquisition date and do not expect final adjustments (primarily deferred income taxes) to be material to our financial statements. There have been no significant changes during fiscal 2012 to the fair values of assets acquired and liabilities assumed.

The financial information in the table below summarizes the combined results of operations for the Company, including Rotex for the three and six months ended March 31, 2011, on a pro forma basis, as though the companies were combined as of the beginning of the period presented. The pro forma financial information is presented for informational purposes only and may not be indicative of the results of operations if the acquisition had actually taken place at the beginning of the period presented and should not be considered representative of future consolidated results of operations.

| | Three Months Ended March 31, 2011 | | Six Months Ended March 31, 2011 | |
|--------------------------------------|--------------------------------------|-------|------------------------------------|-------|
| Pro forma net revenue | \$ | 253.1 | \$ | 483.9 |
| Pro forma net income | | 36.1 | | 65.6 |
| Pro forma diluted earnings per share | | 0.58 | | 1.06 |

4. Supplemental Balance Sheet Information

| | March 31, 2012 | | September 30, 2011 | |
|--|-------------------|-------|-----------------------|-------|
| Trade accounts receivable reserves | \$ | 21.9 | \$ | 21.7 |
| Accumulated depreciation on property, plant, and equipment | \$ | 260.6 | \$ | 256.2 |

| | | | | |
|---|----|-------------|----|-------------|
| Accumulated amortization on intangible assets | \$ | 63.2 | \$ | 51.4 |
| Inventories: | | | | |
| Raw materials and components | \$ | 41.8 | \$ | 36.0 |
| Work in process | | 12.1 | | 10.8 |
| Finished goods | | 37.6 | | 36.9 |
| Total inventories | \$ | <u>91.5</u> | \$ | <u>83.7</u> |

5. Financing Receivables and Allowances for Credit Losses

As of March 31, 2012, Batesville had \$7.0 of customer notes receivable, primarily representing long-term payment plans negotiated to collect unpaid balances. These notes generally carry repayment terms of up to five years and had a weighted-average interest rate of 5.2% at March 31, 2012. The current portion of these notes (\$4.1) is included in trade receivables, and the long-term portion (\$2.9) is included in other assets in the consolidated balance sheet at March 31, 2012.

We evaluate the recoverability of each note receivable quarterly and record allowances based upon the customer's credit score, historical experience, and individual customer collection experience. As of March 31, 2012, \$2.8 of customer notes receivable were over 31 days past due. Accordingly, we have established an allowance of \$0.7 related to these notes, with a gross balance of \$2.2 as of March 31, 2012. There has not been a significant change in the reserve for doubtful accounts during the periods presented. Each quarter we perform a detailed review of all notes to determine whether any amounts should be charged off. Amounts are charged off when they are deemed to no longer be collectible.

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6. Financing Agreements

| | March 31, 2012 | September 30, 2011 |
|---|-------------------|-----------------------|
| \$ 400 revolving credit facility (excludes outstanding letters of credit) | \$ 199.0 | \$ 283.0 |
| \$ 150 senior unsecured notes, due July 15, 2020, net of discount | 148.6 | 148.5 |
| Less current | (199.0) | — |
| Total long-term debt | <u>\$ 148.6</u> | <u>\$ 431.5</u> |

As of March 31, 2012, we (i) had \$6.7 outstanding letters of credit under the revolving credit facility, (ii) were in compliance with all covenants set forth in the credit agreement for the credit facility, and (iii) had \$194.3 of remaining borrowing capacity available under the credit facility. Under the Distribution Agreement with Hill-Rom Holdings, Inc., our ability to borrow using the credit facility for certain strategic transactions such as acquisitions may be limited. The term of the revolving credit facility expires in March 2013; therefore, the full amount outstanding under the facility has been classified as a current liability. We plan to enter into a new revolving credit facility agreement prior to the termination of the current facility. The weighted-average interest rate was 0.7% for the three- and six-month periods ended March 31, 2012 and 2011.

As of March 31, 2012, our Swiss subsidiary maintained additional availability of \$19.4 through local credit facilities collateralized by cash or real property. There were no borrowings under these facilities as of March 31, and availability was reduced by \$7.5 for outstanding bank guarantees. We had \$9.3 additional outstanding letters of credit and bank guarantees with other financial institutions and restricted cash of \$1.3 at March 31, 2012.

On July 9, 2010, we issued \$150.0 fixed-rate senior unsecured notes due July 15, 2020 (the Notes). The Notes bear interest at a fixed rate of 5.5%, payable semi-annually in arrears commencing January 15, 2011. The Notes were issued at an original issue discount of \$1.6, which is being amortized to interest expense over the term of the Notes using the effective interest rate method, resulting in an annual interest rate of 5.65%. Deferred financing costs of \$2.1 are being amortized to interest expense over the term of the Notes.

7. Retirement Benefits

Defined Benefit Plans

| | Three Months Ended March 31, | | Six Months Ended March 31, | |
|---|---------------------------------|---------------|-------------------------------|---------------|
| | 2012 | 2011 | 2012 | 2011 |
| Service costs | \$ 1.5 | \$ 1.4 | \$ 3.0 | \$ 2.7 |
| Interest costs | 3.1 | 3.2 | 6.3 | 6.4 |
| Expected return on plan assets | (3.3) | (3.8) | (6.7) | (7.6) |
| Amortization of unrecognized prior service costs, net | 0.2 | 0.2 | 0.4 | 0.4 |
| Amortization of net loss | 1.5 | 1.0 | 2.9 | 2.0 |
| Net pension costs | <u>\$ 3.0</u> | <u>\$ 2.0</u> | <u>\$ 5.9</u> | <u>\$ 3.9</u> |

Postretirement Healthcare Plans — Net postretirement healthcare costs were \$0.2 and \$0.4 for the three months ended March 31, 2012 and 2011, and \$0.4 and \$0.7 for the six months ended March 31, 2012 and 2011.

Defined Contribution Plans — Expenses related to our defined contribution plans were \$2.1 and \$1.7 for the three months ended March 31, 2012 and 2011, and \$3.9 and \$3.3 for the six months ended March 31, 2012 and 2011.

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8. Income Taxes

The following is a reconciliation of the U.S. federal statutory income tax rate to the effective income tax rate:

| | Three Months Ended March 31 | | Six Months Ended March 31, | |
|--|--------------------------------|------|-------------------------------|------|
| | 2012 | 2011 | 2012 | 2011 |

| | | | | |
|--|-------|-------|--------|-------|
| Federal statutory rates | 35.0% | 35.0% | 35.0% | 35.0% |
| Adjustments: | | | | |
| Permanent reinvestment of unremitted earnings | — | — | (15.5) | — |
| State and local income taxes, net of federal benefit | 2.4 | 3.3 | 2.5 | 3.3 |
| Foreign income tax rate differential | (2.3) | (1.4) | (2.2) | (1.2) |
| Domestic manufacturer's deduction | (2.5) | (2.4) | (2.5) | (2.4) |
| Unrecognized tax benefits | (0.7) | (0.2) | (0.9) | 0.4 |
| Other, net | 0.8 | 0.4 | 0.6 | 0.1 |
| Effective income tax rate | 32.7% | 34.7% | 17.0% | 35.2% |

In connection with the acquisition of K-Tron in April 2010, we recorded a deferred tax liability related to the historical earnings of its Swiss operations that would be subject to U.S. income taxes upon earnings repatriation. With the acquisition of Rotex, we identified the need to retain cash overseas to support the continued growth of the Process Equipment Group and began developing a plan to integrate Rotex into our existing international structure. As a result, during the first quarter of fiscal 2012, we asserted the K-Tron historical earnings to be permanently reinvested. Accordingly, a tax benefit of \$10.4 was recognized, representing the full release of the deferred tax liability. During the period ended March 31, 2012, we completed the plan of integrating Rotex into our existing international structure. As of March 31, 2012, U.S. federal and state income taxes have not been provided on accumulated undistributed earnings of substantially all our foreign subsidiaries, as these earnings are considered permanently reinvested.

The activity within our reserve for unrecognized tax benefits was:

| | | |
|---|----|-------|
| Balance at September 30, 2011 | \$ | 7.3 |
| Additions for tax positions for the current year | | 0.1 |
| Additions for tax positions of prior years | | 0.1 |
| Reductions in tax positions of prior years | | (1.5) |
| Settlements | | (0.5) |
| Balance at March 31, 2012 | \$ | 5.5 |
| Other amounts accrued at March 31, 2012, for interest and penalties | \$ | 1.6 |

9. Earnings Per Share

At March 31, 2012 and 2011, potential dilutive effects of 1.7 million and 2.0 million shares relating to unvested time-based restricted stock units and stock options were excluded from the computation of earnings per share as their effects were anti-dilutive. At March 31, 2012 and 2011, potential dilutive effects of 1.8 million and 1.6 million shares relating to unvested performance-based stock awards were excluded from the computation of diluted earnings per share as the related performance period is not yet complete. The effects of these performance-based shares will be dilutive in the future to the extent various levels of performance criteria are met.

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| (in millions) | Three Months Ended March 31, | | Six Months Ended March 31, | |
|--|---------------------------------|---------|-------------------------------|---------|
| | 2012 | 2011 | 2012 | 2011 |
| Net income — basic and diluted | \$ 27.4 | \$ 33.0 | \$ 58.7 | \$ 60.1 |
| Weighted average shares outstanding — basic | 62.2 | 62.1 | 62.1 | 62.0 |
| Effect of dilutive stock options and unvested time-based restricted stock awards | 0.4 | — | 0.3 | — |
| Weighted average shares outstanding — diluted | 62.6 | 62.1 | 62.4 | 62.0 |

10. Shareholders' Equity

During the six months ended March 31, 2012, we paid \$23.8 of cash dividends and retired 0.2 million shares of stock that were issued in connection with our performance-based stock awards.

11. Comprehensive Income and Accumulated Other Comprehensive Loss

| | Three Months Ended March 31, | | Six Months Ended March 31, | |
|--|---------------------------------|---------|-------------------------------|---------|
| | 2012 | 2011 | 2012 | 2011 |
| Net income | \$ 27.4 | \$ 33.0 | \$ 58.7 | \$ 60.1 |
| Change in currency translation adjustment | 7.9 | 4.5 | 1.3 | 14.3 |
| Change in pension and postretirement | 1.1 | 0.7 | 1.2 | 1.5 |
| Change in net unrealized gains (losses) on derivative instruments | (0.3) | (0.2) | (0.4) | (0.3) |
| Change in net unrealized gains (losses) on available-for-sale securities | 0.2 | (0.2) | (0.9) | 0.1 |
| Comprehensive income | \$ 36.3 | \$ 37.8 | \$ 59.9 | \$ 75.7 |

| | March 31, 2012 | September 30, 2011 |
|---|-------------------|-----------------------|
| Currency translation adjustment | \$ 21.7 | \$ 20.4 |
| Pension and postretirement | (59.3) | (60.5) |
| Net unrealized gain (loss) on derivative instruments | (0.2) | 0.2 |
| Net unrealized gain (loss) on available-for-sale securities | (0.5) | 0.4 |
| Accumulated other comprehensive loss | \$ (38.3) | \$ (39.5) |

12. Share-Based Compensation

| | Three Months Ended March 31, | | Six Months Ended March 31, | |
|--------------------------------|---------------------------------|--------|-------------------------------|--------|
| | 2012 | 2011 | 2012 | 2011 |
| Share-based compensation costs | \$ 1.6 | \$ 3.7 | \$ 6.9 | \$ 6.1 |
| Less income tax benefit | 0.5 | 1.4 | 2.5 | 2.3 |

| | | | | |
|--|--------|--------|--------|--------|
| Share-based compensation costs, net of tax | \$ 1.1 | \$ 2.3 | \$ 4.4 | \$ 3.8 |
|--|--------|--------|--------|--------|

During the six months ended March 31, 2012, we made the following grants:

| | Number of Units |
|---|--------------------|
| Stock options | 546,642 |
| Time-based stock awards | 64,044 |
| Performance-based stock awards (maximum that can be earned) | 700,560 |

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Stock options granted had a weighted-average exercise price of \$22.37 and a weighted-average grant date fair value of \$5.88 for the six-month period ended March 31, 2012. Our time-based stock awards and performance-based stock awards had a weighted-average grant date fair value of \$23.05 and \$22.34 for the six-month period ended March 31, 2012.

13. [Commitments and Contingencies](#)

[Litigation](#)

General

Like most companies, we are involved on an ongoing basis in claims, lawsuits, and government proceedings relating to our operations, including environmental, antitrust, patent infringement, business practices, commercial transactions, product and general liability, workers' compensation, auto liability, employment, and other matters. The ultimate outcome of these matters cannot be predicted with certainty. An estimated loss from these contingencies is recognized when we believe it is probable that a loss has been incurred and the amount of the loss can be reasonably estimated; however, it is difficult to measure the actual loss that might be incurred related to litigation. If a loss is not considered probable and/or cannot be reasonably estimated, we are required to make a disclosure if there is at least a reasonable possibility that a material loss may have been incurred. Legal fees associated with claims and lawsuits are generally expensed as incurred.

Claims other than employment and related matters have deductibles and self-insured retentions ranging from \$0.5 to \$1.0 per occurrence or per claim, depending upon the type of coverage and policy period. Outside insurance companies and third-party claims administrators assist in establishing individual claim reserves, and an independent outside actuary provides estimates of ultimate projected losses, including incurred but not reported claims, which are used to establish reserves for losses. Claim reserves for employment-related matters are established based upon advice from internal and external counsel and historical settlement information for claims and related fees, when such amounts are considered probable of payment.

The recorded amounts represent our best estimate of the costs we will incur in relation to such exposures, but it is virtually certain that actual costs will differ from those estimates.

Antitrust Litigation

In 2005, the Funeral Consumers Alliance, Inc. (FCA) and a number of individual consumer casket purchasers filed a purported class action antitrust lawsuit on behalf of certain consumer purchasers of Batesville® caskets against the Company and our former parent company, Hillenbrand Industries, Inc., now Hill-Rom Holdings, Inc. (Hill-Rom), and three national funeral home businesses (the FCA Action). A more detailed history of the litigation has been disclosed in our previous filings.

The lawsuit claimed, among other things, that the Company's maintenance and enforcement of, and alleged modifications to, its long-standing policy of selling caskets only to licensed funeral homes were the product of a conspiracy among the Company, the other defendants, and others to exclude "independent casket discounters," resulting in suppressed competition in the alleged market for caskets and allegedly leading consumers to pay higher than competitive prices for caskets.

Plaintiffs in the FCA Action have generally sought monetary damages on behalf of a class of purchasers of Batesville caskets, trebling of any such damages that may be awarded, recovery of attorneys' fees and costs, and injunctive relief. The plaintiffs in the FCA Action filed a report indicating that they were seeking damages ranging from approximately \$947 to approximately \$1,460 before trebling on behalf of the purported class of consumers they seek to represent, based on approximately one million casket purchases by the purported class members.

The Federal District Court for the Southern District of Texas denied class certification on March 26, 2009, and ultimately dismissed the lawsuit on September 24, 2010, concluding that "plaintiffs shall take nothing by their suit." Currently, the FCA Action is on appeal to the Fifth Circuit Court of Appeals. Plaintiffs have appealed both the District Court's order of dismissal and the order denying class certification. The parties have submitted all appellate briefs, and the Court of Appeals heard oral argument from the parties on December 5, 2011. The Court of Appeals has not yet issued its ruling affirming or reversing the District Court.

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If plaintiffs succeed in overturning the judgment, reversing the District Court order denying class certification, and a class is subsequently certified in the FCA Action filed against Hill-Rom and Batesville, and if the plaintiffs prevail at a trial of the class action, the damages awarded to the plaintiffs, which would be trebled as a matter of law, could have a material adverse effect on our results of operations, financial condition, and cash flow. In antitrust actions such as the FCA Action, the plaintiffs may elect to enforce any judgment against any or all of the co-defendants, who have no statutory contribution rights against each other. We and Hill-Rom have entered into a Judgment Sharing Agreement that apportions the costs and any potential liabilities associated with this litigation between us and Hill-Rom.

The defendants are vigorously contesting both liability and the plaintiffs' damages theories.

As of March 31, 2012, we had incurred approximately \$29.2 in cumulative legal and related costs associated with the FCA Action since its inception.

Matthews Litigation

In August 2010, the York Group, Inc., Milso Industries Corporation, and Matthews International Corporation (collectively the plaintiffs) filed a lawsuit against Scott Pontone and Batesville Casket Company, Inc. in the United States District Court, Western District of Pennsylvania, which was subsequently amended by the plaintiffs in February 2011 to include two additional defendants, Harry Pontone and Pontone Casket Company, LLC (the Litigation). The Litigation arises, in part, as a result of a Marketing Consulting Agreement entered into between Batesville and Pontone Casket Company effective June 24, 2010, and Batesville's hiring of two former employees of certain plaintiff entities in June 2010. Scott Pontone provides consulting services to Batesville pursuant to the Marketing Consulting Agreement. The plaintiffs allege

that Scott Pontone and Harry Pontone breached contractual and business obligations with the plaintiffs and that Batesville induced certain of those breaches as part of its sales initiatives in the New York metropolitan area.

The plaintiffs claim that they have lost revenue and will lose future revenue in the New York metropolitan area, although the amount of those alleged damages is unspecified. The plaintiffs seek to: (i) recover compensatory damages, punitive damages, attorneys' fees, and costs; and (ii) enjoin certain activities by Harry Pontone, Scott Pontone, Pontone Casket Company, and Batesville and its employees in the New York metropolitan area. The plaintiffs had originally moved for a preliminary injunction, but withdrew that request after expedited discovery. No trial date has been set, and the parties are engaged in ongoing motions practice and discovery.

The Company believes it acted lawfully and intends to defend this matter vigorously. The Company does not believe, based on currently available information, that the outcome of this lawsuit will have a material adverse effect on the Company's financial condition and liquidity. If the plaintiffs prevail at trial, however, the outcome could be materially adverse to the Company's operating results or cash flow for the particular period, depending, in part, upon the operating results or cash flow for such period.

14. Fair Value Measurements

| | Carrying Value at March 31, 2012 | Fair Value at March 31, 2012 Using Inputs Considered as: | | |
|------------------------------|----------------------------------|---|---------|---------|
| | | Level 1 | Level 2 | Level 3 |
| Assets: | | | | |
| Cash and cash equivalents | \$ 60.1 | \$ 60.1 | \$ — | \$ — |
| Equity investments | 2.2 | 1.2 | — | 1.0 |
| Investments in rabbi trust | 5.2 | 5.2 | — | — |
| Liabilities: | | | | |
| Derivative instruments | 0.2 | — | 0.2 | — |
| Revolving credit facility | 199.0 | — | 196.9 | — |
| \$150 senior unsecured notes | 148.6 | 160.7 | — | — |

There were no changes in the fair value of measurements using significant unobservable inputs during the quarter.

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15. Segment and Geographical Information

| | Three Months Ended March 31, | | Six Months Ended March 31, | |
|----------------------------------|------------------------------|----------|----------------------------|----------|
| | 2012 | 2011 | 2012 | 2011 |
| Net revenue | | | | |
| Batesville | \$ 163.5 | \$ 172.2 | \$ 309.4 | \$ 332.1 |
| Process Equipment Group | 96.2 | 57.8 | 181.9 | 108.9 |
| Total | \$ 259.7 | \$ 230.0 | \$ 491.3 | \$ 441.0 |
| Gross profit | | | | |
| Batesville | \$ 62.0 | \$ 75.3 | \$ 119.8 | \$ 143.7 |
| Process Equipment Group | 42.3 | 26.6 | 78.2 | 49.4 |
| Total | \$ 104.3 | \$ 101.9 | \$ 198.0 | \$ 193.1 |
| Operating profit (loss) | | | | |
| Batesville | \$ 38.8 | \$ 49.1 | \$ 73.1 | \$ 91.7 |
| Process Equipment Group | 13.5 | 8.5 | 21.6 | 15.4 |
| Corporate | (8.5) | (9.8) | (17.5) | (17.2) |
| Total | \$ 43.8 | \$ 47.8 | \$ 77.2 | \$ 89.9 |
| EBITDA | | | | |
| Batesville | \$ 42.4 | \$ 53.0 | \$ 80.2 | \$ 99.5 |
| Process Equipment Group | 18.4 | 12.7 | 34.4 | 23.2 |
| Corporate | (7.9) | (6.8) | (16.8) | (13.3) |
| Total | \$ 52.9 | \$ 58.9 | \$ 97.8 | \$ 109.4 |
| Net revenue (1) | | | | |
| United States | \$ 213.0 | \$ 195.2 | \$ 407.4 | \$ 373.9 |
| Canada | 12.3 | 13.1 | 23.6 | 24.4 |
| Switzerland | 24.2 | 17.4 | 42.0 | 34.0 |
| All other foreign business units | 10.2 | 4.3 | 18.3 | 8.7 |
| Total | \$ 259.7 | \$ 230.0 | \$ 491.3 | \$ 441.0 |

(1) Revenue is attributed to a geography based upon the location of the business unit that consummated the external sale.

| | March 31, 2012 | September 30, 2011 |
|-----------------------------------|----------------|--------------------|
| Total assets | | |
| Batesville | \$ 234.6 | \$ 246.5 |
| Process Equipment Group | 788.4 | 847.8 |
| Corporate | 98.9 | 86.4 |
| Total | \$ 1,121.9 | \$ 1,180.7 |
| Tangible long-lived assets | | |
| United States | \$ 98.5 | \$ 106.8 |
| Switzerland | 11.3 | 11.0 |
| All other foreign business units | 6.4 | 2.8 |

| | | |
|-------|----------|----------|
| Total | \$ 116.2 | \$ 120.6 |
|-------|----------|----------|

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The following schedule reconciles total segment EBITDA to consolidated net income.

| | Three Months Ended March 31, | | Six Months Ended March 31, | |
|-------------------------------|------------------------------|---------|----------------------------|----------|
| | 2012 | 2011 | 2012 | 2011 |
| GAAP net income | \$ 27.4 | \$ 33.0 | \$ 58.7 | \$ 60.1 |
| Interest income | (0.1) | (3.1) | (0.3) | (6.4) |
| Interest expense | 2.8 | 2.9 | 5.7 | 5.7 |
| Income tax expense | 13.3 | 17.5 | 12.0 | 32.7 |
| Depreciation and amortization | 9.5 | 8.6 | 21.7 | 17.3 |
| EBITDA | \$ 52.9 | \$ 58.9 | \$ 97.8 | \$ 109.4 |

16. [Restructuring](#)

During the three months ended March 31, 2012, Hillenbrand incurred \$4.8 in restructuring costs at the Batesville business platform (\$2.0) and the Process Equipment Group (\$2.8). These costs consist of termination benefits (\$2.3) at Batesville and Process Equipment Group classified as cost of goods sold, as well as operating expenses (\$2.5) related to the consolidation of manufacturing facilities in the Process Equipment Group. This consolidation included the write-down to fair value of certain property that is classified as held for sale. Future charges related to these restructurings are not expected to be significant.

Batesville management consistently sizes their operations to respond to changing market conditions and consumer preferences, and continuously evaluates capacities to ensure they are making the caskets their customers require in the most efficient manner possible.

We continue to see progress in the implementation of Hillenbrand Lean Business principles in our Process Equipment Group. This past quarter we strategically realigned the Process Equipment Group through the consolidation of certain manufacturing facilities. This resulted in the closure of one manufacturing plant. We believe this action will allow the Process Equipment Group to more efficiently meet customer needs, while continuing to provide the same high-quality products and services.

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Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
Forward-Looking Statements and Factors That May Affect Future Results

Throughout this Form 10-Q, 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 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 Form 10-Q, 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. Our intent is to provide examples of how readers might 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 actual results could differ materially from those set forth in 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 the Form 10-K for the year ended September 30, 2011. We assume no obligation to update or revise any forward-looking statements.

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Executive Overview

(in millions throughout Management's Discussion and Analysis)

The following discussion compares our results for the three- and six-month periods ending March 31, 2012, to the same period in the prior fiscal year. We begin the discussion at a consolidated level and then provide separate detail about Batesville, the Process Equipment Group, and Corporate. These financial results are prepared in accordance with accounting principles generally accepted in the U.S. (GAAP).

We also provide certain non-GAAP operating performance measures. These non-GAAP measures exclude the tax benefit of the international integration described in Item 1, expenses associated with long-term incentive compensation related to the international integration, backlog amortization, antitrust litigation, business acquisitions,

restructuring, and sales tax adjustments, as well as the related income tax. 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.

We use this 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. Finally, the Company believes such information provides a higher degree of transparency for certain items.

Consolidated

| | Three Months Ended March 31, | | | | Six Months Ended March 31, | | | |
|------------------------|------------------------------|--------------|----------|--------------|----------------------------|--------------|----------|--------------|
| | 2012 | | 2011 | | 2012 | | 2011 | |
| | Amount | % of Revenue | Amount | % of Revenue | Amount | % of Revenue | Amount | % of Revenue |
| Revenue | \$ 259.7 | 100.0 | \$ 230.0 | 100.0 | \$ 491.3 | 100.0 | \$ 441.0 | 100.0 |
| Gross profit | 104.3 | 40.2 | 101.9 | 44.3 | 198.0 | 40.3 | 193.1 | 43.8 |
| Operating expenses | 60.5 | 23.3 | 54.1 | 23.5 | 120.8 | 24.6 | 103.2 | 23.4 |
| Operating profit | 43.8 | 16.9 | 47.8 | 20.8 | 77.2 | 15.7 | 89.9 | 20.4 |
| Interest expense | 2.8 | 1.1 | 2.9 | 1.3 | 5.7 | 1.2 | 5.7 | 1.3 |
| Other income (expense) | (0.3) | 0.1 | 5.6 | 2.4 | (0.8) | 0.2 | 8.6 | 2.0 |
| Income taxes | 13.3 | 5.1 | 17.5 | 7.6 | 12.0 | 2.4 | 32.7 | 7.4 |
| Net income | 27.4 | 10.6 | 33.0 | 14.3 | 58.7 | 11.9 | 60.1 | 13.6 |

Three Months Ended March 31, 2012 Compared to Three Months Ended March 31, 2011

- Consolidated revenue increased 13% (\$29.7) to \$259.7. The increase was largely due to an increase in the Process Equipment Group's revenue, including the Rotex acquisition completed in August 2011, partially offset by burial volume declines in the Batesville business platform. Batesville's revenue declined 5% (\$8.7) to \$163.5. The Process Equipment Group's revenue increased 66% (\$38.4) to \$96.2. Foreign currency translation did not significantly impact revenue during the periods under comparison.
- Consolidated gross profit margin was 40.2% compared to 44.3%, a decline of 410 basis points. On an adjusted basis, the consolidated gross profit margin was 41.0%, a decline of 330 basis points.
 - Batesville's gross profit margin was 37.9%, a 580 basis point decline, largely due to lower volume and, to a lesser extent, the increased price of commodities (primarily steel and fuel). In addition, Batesville incurred \$2.0 of restructuring charges (primarily termination benefits) in the current quarter. Excluding the restructuring charges, Batesville's adjusted gross profit margin was 39.1%.
 - The Process Equipment Group's gross profit margin was 44.0%, a 200 basis point decline, primarily due to product mix and restructuring costs. Excluding restructuring costs of \$0.3 (primarily termination benefits), the adjusted gross profit margin was 44.3%.
- Operating expenses as a percentage of sales improved by 20 basis points to 23.3%. The improvement was primarily related to decreased long-term incentive compensation (\$2.1). The current year includes \$2.5 of restructuring costs. We incurred \$0.5 and \$1.0 of acquisition costs in 2012 and 2011. Excluding these charges, our operating expense to sales ratio improved by 90 basis points to 22.1%.

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- Other income and expense decreased \$5.9 largely due to the full collection of the Forethought Note in April 2011 (\$3.0) and investment gains that occurred in 2011 (\$2.5).
- The income tax rate was 32.7% compared to 34.7% in the prior year. The decrease in the income tax rate was due to a larger percentage of income arising from foreign sources in lower rate jurisdictions.

Six Months Ended March 31, 2012 Compared to Six Months Ended March 31, 2011

- Consolidated revenue increased 11% (\$50.3) to \$491.3. The increase was largely due to an increase in the Process Equipment Group's revenue, including the Rotex acquisition completed in August 2011, partially offset by burial volume declines in the Batesville business platform. Batesville's revenue declined 7% (\$22.7) to \$309.4. The Process Equipment Group's revenue increased 67% (\$73.0) to \$181.9, and 66% on a constant currency basis.
- Consolidated gross profit margin was 40.3% compared to 43.8%, a decline of 350 basis points.
 - Batesville's gross profit margin was 38.7%, a 460 basis point decline, largely due to lower volume and to a lesser extent, the increased price of commodities (primarily steel and fuel). Batesville's adjusted gross profit margin was 39.4%, which excludes \$2.0 of restructuring charges in the second quarter of 2012.
 - The Process Equipment Group's gross profit margin was 43.0%, a 240 basis point decline, primarily due to product mix, larger system sales, and restructuring costs. The adjusted gross profit margin was 43.2%, which excludes \$0.3 of restructuring charges in the second quarter of 2012.
- Operating expenses as a percentage of sales increased to 24.6% from 23.4% in the prior year, almost entirely driven by restructuring (\$2.5), backlog amortization at Rotex (\$2.5), and additional long-term incentive compensation (\$2.2) related to the international integration. Absent these charges, our operating expense to sales ratio improved by 30 basis points.
 - The vesting of our long-term performance-based stock awards is contingent upon the creation of shareholder value as measured by the cumulative cash returns and final period net operating profit after tax compared to the established hurdle rate over a three-year period. As such, the tax benefit from the international integration created \$2.2 of additional expense related to performance-based stock awards in the first quarter of 2012.
- Other income and expense decreased \$9.4 largely due to the full collection of the Forethought Note in April 2011 (\$5.8) and investment gains that occurred in 2011 (\$3.1).
- A tax benefit of \$10.4 was recognized due to the determination that certain international earnings that were previously expected to be repatriated will now be permanently reinvested. This resulted in a 17.0% income tax rate compared to 35.2% in the prior year. (See Item 1, Note 8 for details.) The adjusted income tax rate was 32.0% compared to 35.2% in the prior year. This excludes the tax benefit of the international integration and the tax impact of long-term incentive compensation related to the international integration, backlog amortization, antitrust litigation, business acquisitions, restructuring, and sales tax adjustments.

Batesville

| | Three Months Ended March 31, | | | | Six Months Ended March 31, | | | |
|--------------------|------------------------------|--------------|----------|--------------|----------------------------|--------------|----------|--------------|
| | 2012 | | 2011 | | 2012 | | 2011 | |
| | Amount | % of Revenue | Amount | % of Revenue | Amount | % of Revenue | Amount | % of Revenue |
| Net revenue | \$ 163.5 | 100.0 | \$ 172.2 | 100.0 | \$ 309.4 | 100.0 | \$ 332.1 | 100.0 |
| Gross profit | 62.0 | 37.9 | 75.3 | 43.7 | 119.8 | 38.7 | 143.7 | 43.3 |
| Operating expenses | 23.2 | 14.2 | 26.2 | 15.2 | 46.7 | 15.1 | 52.0 | 15.7 |
| Operating profit | 38.8 | 23.7 | 49.1 | 28.5 | 73.1 | 23.6 | 91.7 | 27.6 |

- Revenue for the three and six months ended March 31, 2012, decreased 5% (\$8.7) and 7% (\$22.7) primarily due to a decline in burial volume. The decline in burial volume was due to an estimated 6% reduction in the North American burial market, which was partly driven by an estimated 3% decline in North American deaths. This was the largest drop in deaths in over 30 years and was in part due to a very mild pneumonia and influenza season. Burial volume was also impacted by the rate at which consumers opted for cremation. Additionally,

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many customers chose to buy in advance of the annual price increase that became effective in October 2011, impacting revenue in the first half of the current fiscal year.

Gross profit for the three months ended March 31, 2012, decreased \$13.3 (18%) to \$62.0, primarily due to lower volume (10%), higher commodity costs (3%), and restructuring charges (3%). Excluding restructuring charges, Batesville's adjusted gross profit was \$64.0. The restructuring charges totaled \$2.0 and primarily consisted of termination benefits for certain manufacturing plant personnel. Batesville management consistently sizes their operations to respond to changing market conditions and consumer preferences, and continuously evaluates capacities to ensure they are making the caskets their customers require in the most efficient manner possible.

Gross profit for the six months ended March 31, 2012, decreased \$23.9 (17%) to \$119.8, primarily due to lower volume (12%), higher commodity costs (2%), and restructuring charges (1%). Excluding restructuring charges, the adjusted gross profit was \$121.8.

The ratio of operating expenses to sales improved by 100 basis points for the three months ended March 31, 2012, and by 60 basis points for the six months ended March 31, 2012. Management continues to adjust the cost structure to offset declining volumes and reduced compensation and benefit expenses this year by over \$4.0 in the first quarter and \$2.0 in the second quarter. This included \$1.9 of savings in the first quarter related to changes in employee benefits that we do not expect to take place again in the future. On an adjusted basis, the ratio of operating expenses to sales improved by 100 basis points to 14.7% for the six-month period. Adjustments include the impact of the long-term incentive compensation related to the international integration earlier this year (\$0.8) and sales tax recoveries (\$0.7) in the prior year.

Process Equipment Group

| | Three Months Ended March 31, | | | | Six Months Ended March 31, | | | |
|--------------------|------------------------------|--------------|---------|--------------|----------------------------|--------------|----------|--------------|
| | 2012 | | 2011 | | 2012 | | 2011 | |
| | Amount | % of Revenue | Amount | % of Revenue | Amount | % of Revenue | Amount | % of Revenue |
| Net revenue | \$ 96.2 | 100.0 | \$ 57.8 | 100.0 | \$ 181.9 | 100.0 | \$ 108.9 | 100.0 |
| Gross profit | 42.3 | 44.0 | 26.6 | 46.0 | 78.2 | 43.0 | 49.4 | 45.4 |
| Operating expenses | 28.8 | 29.9 | 18.1 | 31.3 | 56.6 | 31.1 | 34.0 | 31.2 |
| Operating profit | 13.5 | 14.0 | 8.5 | 14.7 | 21.6 | 11.9 | 15.4 | 14.1 |

Revenue for the three months ended March 31, 2012, increased by 66% (\$38.4). Revenue for the six months ended March 31, 2012, increased 67% (\$73.0), and by 66% on a constant currency basis. The increase was attributable in part to the Rotex acquisition completed in August 2011, as well as growth in the existing Process Equipment Group's revenue.

Future revenue associated with the Process Equipment Group is influenced by order backlog because there is a lead time involved in manufacturing specialized equipment and parts for customers. Though backlog can be an indicator of future revenue, it might not include many projects and parts orders that are booked and shipped within the same quarter. The timing of order placement, size, and customer delivery dates can create fluctuations in backlog and revenue. Revenue attributable to backlog is also affected by foreign exchange fluctuations for orders denominated in currencies other than U.S. dollars. Based upon new orders accepted, less orders completed and shipped, backlog increased from \$128.5 on December 31, 2011, to \$136.5 on March 31, 2012. Backlog increased by \$17.5 over the past six months from \$119.0 on September 30, 2011.

Gross profit margin declined by 200 basis points to 44.0% for the three months ended March 31, 2012, primarily due to product mix and restructuring costs. Excluding restructuring costs, which include \$0.3 of termination benefits and accelerated depreciation, adjusted gross profit margin was 44.3%. Gross profit margin declined by 240 basis points to 43.0% for the six months ended March 31, 2012, primarily due to product mix, larger system sales, and restructuring costs. Excluding restructuring costs, adjusted gross profit margin was 43.2%.

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Gross profit margin for the Process Equipment Group is influenced by a variety of factors, including the timing and size of orders, the mix of products and services sold, and market factors that impact pricing. Adjusted gross profit margin excludes the impact of restructuring and acquisition-related expenses. The Process Equipment Group's adjusted gross profit margin may fluctuate from quarter to quarter; however, we expect adjusted gross profit margin to fluctuate within a normal historical range on an annual basis. We expect our full-year 2012 adjusted gross profit margin to be slightly below the prior year margin of 44.1% as revenue associated with system sales continues to grow.

We continue to see progress in the implementation of Hillenbrand Lean Business principles in our Process Equipment Group. This past quarter we strategically realigned the Process Equipment Group through the consolidation of certain manufacturing facilities. This resulted in the closure of one manufacturing plant. We believe this action will allow the Process Equipment Group to more efficiently meet customer needs, while continuing to provide the same high-quality products and services.

The ratio of operating expenses to sales for the three months ended March 31, 2012, improved by 140 basis points, primarily attributable to the integration of Rotex, which has a lower operating expense to sales ratio. The Process Equipment Group incurred \$2.5 in costs related to the consolidation of manufacturing facilities including impairment of assets. Excluding these restructuring charges, the operating expense to sales ratio improved by 400 basis points.

The ratio of operating expenses to sales for the six months ended March 31, 2012, improved by 10 basis points; however, on an adjusted basis, the ratio improved by 290 basis points to 28.3%. Adjustments include restructuring charges (\$2.5) and backlog amortization (\$2.5). The value of the backlog was recorded as an asset at the time of acquisition and subsequently expensed when the related revenue was recognized. No further backlog amortization will be recognized related to the Rotex acquisition.

Corporate

| | Three Months Ended March 31, | | | | Six Months Ended March 31, | | | |
|--|------------------------------|--------------|--------|--------------|----------------------------|--------------|---------|--------------|
| | 2012 | | 2011 | | 2012 | | 2011 | |
| | \$ | % of Revenue | \$ | % of Revenue | \$ | % of Revenue | \$ | % of Revenue |
| Operating expenses, excluding business acquisition costs and long-term incentive compensation related to the international integration | \$ 8.0 | 3.1 | \$ 8.8 | 3.9 | \$ 15.3 | 3.1 | \$ 16.0 | 3.6 |

| | | | | | | | | |
|---|--------|-----|--------|-----|---------|-----|---------|-----|
| Long-term incentive compensation related to the international integration | — | — | — | — | 1.2 | 0.2 | — | — |
| Business acquisition costs | 0.5 | 0.2 | 1.0 | 0.4 | 1.0 | 0.2 | 1.2 | 0.3 |
| Operating expenses | \$ 8.5 | 3.3 | \$ 9.8 | 4.3 | \$ 17.5 | 3.5 | \$ 17.2 | 3.9 |

For the three months ended March 31, 2012, operating expenses excluding business acquisition costs and long-term incentive compensation related to the international integration declined by \$0.8 to \$8.0. This was a 80 basis point improvement on a percentage-of-sales basis and was primarily due to a decrease in long-term incentive compensation (\$1.0) unrelated to the international integration. For the six-month period, operating expenses, excluding business acquisition costs and long-term incentive compensation related to the international integration, declined \$0.7 to \$15.3. This was a 50 basis point improvement on a percentage-of-sales basis and was due in part to leveraging our established corporate group over a growing business platforms base. When Hillenbrand was first established as a separate public company in 2008, we began to create a centralized corporate infrastructure to

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manage the Company's business platforms. We anticipate that this expense base will continue to decline as a percentage of sales.

Non-GAAP Operating Performance Measures

The following are reconciliations from GAAP operating performance measures to the relevant non-GAAP performance measures.

| | Three Months Ended March 31, 2012 | | | Three Months Ended March 31, 2011 | | |
|--------------------|-----------------------------------|-------------|----------|-----------------------------------|-------------|----------|
| | Reported | Adjustments | Adjusted | Reported | Adjustments | Adjusted |
| Cost of goods sold | \$ 155.4 | \$ (2.3)(a) | \$ 153.1 | \$ 128.1 | \$ — | \$ 128.1 |
| Gross profit | 104.3 | 2.3 | 106.6 | 101.9 | — | 101.9 |
| Operating expenses | 60.5 | (3.0)(b) | 57.5 | 54.1 | (1.2)(d) | 52.9 |
| Operating profit | 43.8 | 5.3 | 49.1 | 47.8 | 1.2 | 49.0 |
| Income tax expense | 13.3 | 1.8(c) | 15.1 | 17.5 | 0.4(c) | 17.9 |
| Net income | 27.4 | 3.5 | 30.9 | 33.0 | 0.8 | 33.8 |
| Diluted EPS | \$ 0.44 | \$ 0.06 | \$ 0.50 | \$ 0.53 | \$ 0.01 | \$ 0.54 |

| | Six Months Ended March 31, 2012 | | | Six Months Ended March 31, 2011 | | |
|--------------------|---------------------------------|-------------|----------|---------------------------------|-------------|----------|
| | Reported | Adjustments | Adjusted | Reported | Adjustments | Adjusted |
| Cost of goods sold | \$ 293.3 | \$ (2.3)(a) | \$ 291.0 | \$ 247.9 | \$ — | \$ 247.9 |
| Gross profit | 198.0 | 2.3 | 200.3 | 193.1 | — | 193.1 |
| Operating expenses | 120.8 | (8.7)(e) | 112.1 | 103.2 | (1.2)(d) | 102.0 |
| Operating profit | 77.2 | 11.0 | 88.2 | 89.9 | 1.2 | 91.1 |
| Income tax expense | 12.0 | 14.1(f) | 26.1 | 32.7 | 0.4(c) | 33.1 |
| Net income | 58.7 | (3.1) | 55.6 | 60.1 | 0.8 | 60.9 |
| Diluted EPS | \$ 0.94 | \$ (0.05) | \$ 0.89 | \$ 0.97 | \$ 0.01 | \$ 0.98 |

(a) Restructuring

(b) Restructuring (\$2.5), antitrust litigation and business acquisition costs

(c) Tax effect of adjustments

(d) Antitrust litigation, business acquisition costs and sales tax recoveries

(e) Backlog amortization (\$2.5), restructuring (\$2.5), long-term incentive compensation related to the international integration (\$2.2), antitrust litigation, and business acquisition costs

(f) Tax benefit of the international integration (\$10.4) and tax effect of adjustments

We have previously discussed our strategy to selectively acquire manufacturing businesses with a record of success which could 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 EBITDA, among other measures, to monitor our business performance.

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| | Three Months Ended March 31, | | Six Months Ended March 31, | |
|---|------------------------------|---------|----------------------------|----------|
| | 2012 | 2011 | 2012 | 2011 |
| Net income | \$ 27.4 | \$ 33.0 | \$ 58.7 | \$ 60.1 |
| Interest income | (0.1) | (3.1) | (0.3) | (6.4) |
| Interest expense | 2.8 | 2.9 | 5.7 | 5.7 |
| Income tax expense | 13.3 | 17.5 | 12.0 | 32.7 |
| Depreciation and amortization | 9.5 | 8.6 | 21.7 | 17.3 |
| EBITDA | 52.9 | 58.9 | 97.8 | 109.4 |
| Long-term incentive compensation related to the international integration | — | — | 2.2 | — |
| Restructuring | 4.7 | — | 4.7 | — |
| Other | 0.6 | 1.2 | 1.5 | 1.2 |
| EBITDA -adjusted | \$ 58.2 | \$ 60.1 | \$ 106.2 | \$ 110.6 |

Note: "Other" includes antitrust litigation, business acquisition, and sales tax adjustments.

For the three and six months ended March 31, 2012, consolidated adjusted EBITDA decreased \$1.9 (3%) and \$4.4 (4%) primarily due to the decline in burial volume at Batesville, offset in part by the Rotex acquisition completed in August 2011 and by growth in existing Process Equipment Group revenue.

Liquidity and Capital Resources

We believe the ability to generate cash is critical to the value of the Company. In this section, we discuss our ability to generate and access cash to meet business needs. We describe actual results in generating and utilizing cash by comparing the first six months of fiscal year 2012 to the same period last year.

We discuss how we see cash flow being affected for the next 12 months. While it is not a certainty, we explain where we think the cash will come from and how we intend to use it. Finally, we identify other significant matters that could affect liquidity on an ongoing basis.

| | Six Months Ended March 31, | |
|--|----------------------------|----------------|
| | 2012 | 2011 |
| Cash flow provided by (used in): | | |
| Operating activities | \$ 60.1 | \$ 53.2 |
| Investing activities | (8.1) | 6.6 |
| Financing activities | (107.8) | (2.8) |
| Effect of exchange rate changes on cash and cash equivalents | 0.4 | 4.9 |
| Net cash flow | <u>\$ (55.4)</u> | <u>\$ 61.9</u> |

Cash provided by operating activities increased \$6.9 due to the Rotex acquisition completed in August 2011 and by growth in Process Equipment Group revenue, partially offset by the decline in Batesville operating results.

Cash used in investing activities increased \$14.7, as a result of \$15.0 of investment inflows in the prior year that did not recur in fiscal year 2012. These inflows included sales and redemptions of auction rate securities and investments (\$12.4) and the return of investment capital from our limited partnership investments (\$2.6).

Cash used in financing activities increased \$105.0 as a result of repayment on the revolving credit facility in fiscal year 2012.

We increased our quarterly dividend in fiscal 2012 to \$0.1925 per common share, up from the \$0.1900 paid during fiscal year 2011. We plan to continue to pay quarterly cash dividends at this rate throughout fiscal year 2012, which will require about \$11.9 each quarter.

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12-Month Outlook

We believe that our cash on hand, cash generated from operations, and cash available under our revolving credit facility will be sufficient to fund operations, working capital needs, capital expenditure requirements, and financing obligations. We may use additional cash generated by the business to pay down our revolving credit facility or we may borrow additional amounts depending on our working capital needs. As a result, the amount borrowed as of the end of a period may not be representative of the balance during the period. The term of the revolving credit facility expires in March 2013. We plan to enter into a new revolving credit facility agreement prior to the termination of the current facility.

The cash at our foreign subsidiaries totaled \$36.3 at March 31, 2012. The majority of these funds (\$32.9) represented earnings considered to be permanently reinvested to support the growth strategies of our foreign subsidiaries.

Other Liquidity Matters

As of March 31, 2012, we: (i) had \$6.7 in outstanding letters of credit under our revolving credit facility, (ii) were in compliance with all covenants set forth in the credit agreement for the credit facility, and (iii) had access to the remaining \$194.3 of borrowing capacity available under the revolving credit facility. In addition, we had approximately \$19.4 of available credit under our Swiss facilities as of that date.

We are currently authorized by our Board of Directors to repurchase shares of our common stock, and may elect to do so, depending on market conditions and other needs for cash consistent with our growth strategy.

Under the Distribution Agreement with Hill-Rom, our ability to borrow under the revolving credit facility for certain strategic transactions, such as acquisitions, may be limited.

Off-Balance Sheet Arrangements

We have no significant off-balance sheet arrangements.

Contractual Obligations or Contingent Liabilities and Commitments

There were no significant changes to our contractual obligations or contingent liabilities and commitments during the three months ended March 31, 2012.

Critical Accounting Estimates

During the three months ended March 31, 2012, there were no significant changes to this information, as outlined in our Annual Report on Form 10-K for the year ended September 30, 2011.

Recently Adopted and Issued Accounting Standards

For a summary of recently issued and adopted accounting standards applicable to us, see Note 2 to our consolidated financial statements included in Part I, Item 1, of this Form 10-Q.

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Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISKS

There have been no material changes from the information provided in our Annual Report on Form 10-K for the year ended September 30, 2011.

Item 4. CONTROLS AND PROCEDURES

Our management, with the participation of our President and Chief Executive Officer and our Senior Vice President and Chief Financial Officer (the Certifying Officers), has evaluated the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the Exchange Act)), as of the end of the period covered by this report. Based upon that evaluation, the Certifying Officers concluded that our disclosure controls and procedures were effective as of the end of the period covered by this report for the information required to be disclosed in the reports we file or submit under the Exchange Act to be recorded, processed, summarized, and reported within the time periods specified in the Securities and Exchange Commission's rules and forms and such information is accumulated and communicated to management as appropriate to allow timely decisions regarding required disclosure. There were no changes in our internal control over financial reporting during the quarter ended March 31, 2012, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

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PART II — OTHER INFORMATION

Item 1. LEGAL PROCEEDINGS

Information pertaining to legal proceedings can be found in Note 13 to the interim consolidated financial statements included in Part I, Item 1 of this report.

Item 1A. RISK FACTORS

For information regarding the risks we face, see the discussion under "Item 1A. Risk Factors" in our Annual Report on Form 10-K for the year ended September 30, 2011. There have been no material changes to the risk factors described in that report.

Item 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

There were no unregistered sales of equity securities in the three months ended March 31, 2012.

Item 6. EXHIBITS

The exhibits filed with this report are listed on the Exhibit Index, which is incorporated herein by reference. In reviewing any agreements included as exhibits to this report, please remember that they are included to provide you with information regarding their terms and are not intended to provide any other factual or disclosure information about us or the other parties to the agreements. The agreements may contain representations and warranties by the parties to the agreements, including us. Except where explicitly stated otherwise, these representations and warranties have been made solely for the benefit of the other parties to the applicable agreement and:

- should not necessarily be treated as categorical statements of fact, but rather as a way of allocating the risk to one of the parties if those statements prove to be inaccurate;
- may have been qualified by disclosures that were made to the other party in connection with the negotiation of the applicable agreement, which disclosures are not necessarily reflected in the agreement;
- may apply standards of materiality in a way that is different from what may be viewed as material to you or other investors; and
- were made only as of the date of the applicable agreement or such other date or dates as may be specified in the agreement and are subject to more recent developments.

Accordingly, these representations and warranties may not describe the actual state of affairs as of the date they were made or at any other time.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

HILLENBRAND, INC.

Date: May 7, 2012

BY: /s/ Cynthia L. Lucchese
Cynthia L. Lucchese
Senior Vice President and Chief Financial Officer

Date: May 7, 2012

BY: /s/ Elizabeth E. Dreyer
Elizabeth E. Dreyer
Vice President, Controller and Chief Accounting Officer

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EXHIBIT INDEX

| | |
|---------------|---|
| Exhibit 10.1* | Employment Agreement, dated as of January 30, 2012, between Hillenbrand, Inc. and Scott P. George |
| Exhibit 31.1* | Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 |
| Exhibit 31.2* | Certification of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 |
| Exhibit 32.1* | Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 |
| Exhibit 32.2* | Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 |

| | |
|-------------------|--------------------------------|
| Exhibit 101.INS** | Instance document |
| Exhibit 101.SCH** | Schema document |
| Exhibit 101.CAL** | Calculation linkbase document |
| Exhibit 101.LAB** | Labels linkbase document |
| Exhibit 101.PRE** | Presentation linkbase document |
| Exhibit 101.DEF** | Definition linkbase document |

* Filed herewith.

** Pursuant to Regulation S-T, this interactive data file is deemed not filed or part of a registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, is deemed not filed for purposes of Section 18 of the Securities Exchange Act of 1934, and otherwise is not subject to liability under these sections.

EMPLOYMENT AGREEMENT

This EMPLOYMENT AGREEMENT (this "Agreement"), dated as of the 30th day of January, 2012, is made by and between Hillenbrand, Inc., an Indiana corporation (the "Company"), and Scott P. George ("Employee"). Each of the Company and Employee is sometimes referred to below as a "Party" and together they are the "Parties." The Company's direct and remote parent and subsidiary companies, and those companies under common control with the Company, as constituted from time to time, are referred to below as its "affiliated companies."

RECITALS

The Parties have agreed that the Company will employ Employee in an executive capacity in accordance with the terms of this Agreement. This Agreement is made to document certain of the terms and conditions of such employment relationship.

AGREEMENTS

NOW, THEREFORE, the Parties, intending to be legally bound, agree as follows:

1. **Employment.** The Company will employ Employee on an at-will employment basis commencing January 30, 2012. Employee accepts employment by the Company on that basis.
 2. **Position and Duties.** Employee's position and title will initially be as the Senior Vice President, Corporate Development of the Company. Employee will initially report to the President and Chief Executive Officer of the Company. Employee agrees to perform all duties and accept all responsibilities incidental to that position (or any other position in which Employee may be employed) or as may be assigned to Employee. Employee's position and duties may include being employed by, serving as an officer or director of, and providing services to or for, one or more of the Company's affiliated companies, as directed by the Company. Employee is instructed by the Company, and agrees, not to perform any duties or engage in any activities that would conflict with any potential post-employment obligations to any prior employers.
 3. **Efforts and Loyalty.** During the term of Employee's employment under this Agreement, Employee agrees to use Employee's reasonable best efforts in the conduct of the Company's business endeavors entrusted to Employee and agrees to devote substantially all of Employee's working time and efforts, attention and energy to the discharge of the duties and responsibilities of Employee to and for the Company. Employee agrees not to engage in any other activities that interfere with Employee's performance under this Agreement and agrees not to work in any capacity for any other business or enterprise without first obtaining the Company's written consent thereto.
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4. **Compensation.** For all services rendered by Employee to or for the Company or its affiliated companies, Employee shall be paid as follows:
 - (a) A base salary at the initial bi-weekly rate of Fifteen Thousand, Three Hundred Eighty-Four Dollars and Sixty-One Cents (\$15,384.61), less withholdings and deductions;
 - (b) A sign-on bonus in the amount of One Hundred Fifty Thousand Dollars and No Cents (\$150,000.00), less withholdings and deductions, payable on the next regularly-scheduled payroll following Employee's commencement of employment with the Company. Employee agrees that if the Company terminates Employee's employment with the Company for Cause, or if Employee terminates the employment relationship between Employee and the Company for any reason other than for Good Reason as defined in paragraph 10 of this Agreement, within two (2) years of the start of his employment with the Company, Employee shall pay this entire amount back to the Company in full within thirty (30) days of Employee's termination date.
 - (c) Incentive compensation, payable solely at the discretion of the Company (and subject to repayment in full or in part in the event of a restatement of the Company's financial statements in accordance with any applicable policy, law or agreement);
 - (d) The other compensation and benefits described in (and subject to the terms of) the attached offer of employment letter to Employee dated January 16, 2012, from Kenneth A. Camp, as Chief Executive Officer of Hillenbrand, Inc., subject, however, to the terms of this Agreement; and
 - (e) Such additional compensation, benefits and perquisites as the Company may from time to time deem appropriate.
 5. **Changes to Compensation.** Subject to paragraph 10 below, the Company reserves the right to, and Employee agrees that the Company may, make changes to Employee's compensation from time to time in the Company's sole discretion, including, but not limited to, modifying or eliminating a compensation component; provided, however, that Employee shall be and shall remain entitled to participate in all benefit plans and programs maintained by the Company in its sole discretion from time to time on the same basis as other executive officers similarly situated.
 6. **Restrictions and Defense and Indemnification.** Employee represents and warrants to the Company that Employee is not a party to or bound by any noncompetition or other agreement, with any former employer or otherwise, that limits or restricts in any manner Employee's right, as an employee or in any other capacity, to be employed by or provide advice or services to, any person or entity, except for that certain employment agreement with P&M Corporate Finance, LLC, a true and complete copy of which has been provided to the Company prior to the date of this Agreement. Employee represents that in his immediate prior employment, he served as Managing Director and head of the Illinois practice for that employer, and that his primary duties were to develop new business for the employer and supervise the activities of junior investment bankers. In
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- his new position with Company, Employee is instructed by the Company, and agrees, not to compete with his prior employer, and Company and Employee agree that his new duties for Company will be exclusively for the Company and not any third parties, and do not compete with his prior employer. Employee further represents and warrants that Employee does not have or possess any non-public, confidential information of or relating to any business or enterprise (other than the Company or its affiliated companies), except for information (not in writing) about certain companies for which Employee provided services in his capacity as an employee of his prior employer. Employee is instructed by the Company, and agrees, not to use or disclose any such confidential information to or for the benefit of the Company or any of its affiliated companies. Employee is instructed by the Company, and agrees, not to directly or indirectly solicit or facilitate the hiring by the Company of any personnel of Employee's prior employer for two years from separation from Employee's prior employer. Employee agrees to defend and indemnify the Company from and against any loss or expense suffered or incurred by the Company or any of its affiliated companies as a result of an inaccuracy or breach of any of Employee's representations, warranties or agreements made in this Section 6, or any breach by Employee of any post-employment obligations to any prior employer.
7. **Termination Without Cause.** The Company may terminate the employment relationship between Employee and the Company at any time, without Cause for doing so, upon written notice of termination given to Employee, effective as of a date specified by the Company that is on or after the date of such notice. In such event,

Employee shall be entitled to all compensation, benefits and perquisites paid or accrued as of the date of termination and shall also be entitled to receive severance compensation and benefits in accordance with the provisions of Section 12.

8. Termination With Cause. Employee's employment may be terminated by the Company at any time with "Cause" for doing so upon written notice of termination to Employee specifying the date of termination and the factual circumstances constituting "Cause" for such termination. For purposes of this Agreement, the Company will have "Cause" to terminate Employee's employment if Employee has:
- (a) Acted with gross neglect or willful misconduct in the discharge of Employee's duties and responsibilities or refused to follow or comply with the lawful direction of the Company or the terms and conditions of this Agreement, provided such refusal is not based primarily on Employee's good faith compliance with applicable legal or ethical standards; or
 - (b) Acquiesced or participated in any conduct that is dishonest, fraudulent, illegal (at the felony level), unethical, involves moral turpitude or is otherwise illegal and involves conduct that has the potential, in the Company's reasonable opinion, to cause the Company, its officers or its directors embarrassment or ridicule; or
 - (c) Violated a material requirement of any Company policy or procedure or policy or procedure of an affiliated company that applies to Employee; or
 - (d) Disclosed without proper authorization any trade secrets or other confidential information of the Company or any of its affiliated companies; or

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- (e) Engaged in any act that, in the reasonable opinion of the Company, is contrary to its best interests or would hold the Company, its officers or directors up to probable civil or criminal liability, provided that, if Employee acts in good faith in compliance with applicable legal or ethical standards, such actions shall not be grounds for termination for Cause.

Upon the termination of Employee's employment for Cause, Employee shall only be entitled to such compensation, benefits, and perquisites that have been paid or accrued as of the effective date of termination. To the extent any violation of this Paragraph is capable of being promptly cured by Employee (or cured within a reasonable period to the Company's satisfaction), the Company agrees to provide Employee with a reasonable opportunity to so cure such defect. Absent written mutual agreement otherwise, the Parties agree in advance that it is not possible for Employee to cure any violations of sub-paragraph (b) or (d) and, therefore, no opportunity for cure need be provided in those circumstances.

9. Termination Without Good Reason. Employee may terminate the employment relationship between Employee and the Company at any time, without Good Reason for doing so, upon sixty (60) days' advance written notice of such termination given to the Company. In such event, Employee shall only be entitled to such compensation, benefits and perquisites that have been paid or accrued as of the effective date of termination.
10. Termination With Good Reason. Employee may terminate the employment relationship between Employee and the Company with "Good Reason" for doing so by following the process provided below in this Section. For such purpose, "Good Reason" means:
- (a) A reduction in Employee's Base Salary;
 - (b) Failure to re-elect Employee as a Senior Vice President of the Company;
 - (c) Failure to provide the same benefits and perquisites that are provided to other peer-level employees;
 - (d) A material change in the geographic location at which Employee must perform services (which for purposes of this Agreement, means relocation of Employee's principal location of work to any location that is in excess of 50 miles from the location immediately prior to such relocation);
 - (e) A material diminution in Employee's authority, duties or responsibilities, or
 - (f) Any action or inaction that constitutes a material breach of this Agreement by the Company.

In order for Employee to initiate the process of terminating the employment relationship for Good Reason, Employee must first provide written notice to the Company of Employee's intent to terminate for Good Reason, and in such notice Employee must describe in reasonable detail the event or circumstance that Employee believes constitutes Good Reason for such termination of employment. That notice must be received by the Company within 90 days after the initial occurrence of such "Good Reason" event or

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circumstance described by Employee in the notice in order for the notice to be effective under this Section. The Company shall then have 30 days following the receipt of such notice in which to remedy or cure such event or circumstance so that Good Reason no longer exists for Employee to terminate the employment relationship. If the Company does not remedy or cure such event or circumstance within such 30-day cure period, Employee may then terminate the employment relationship by written notice of termination for Good Reason received by the Company within 60 days after the end of the above 30-day cure period, again describing in reasonable detail in such notice the event or circumstance relied on by Employee as constituting Good Reason for such termination. Notice of termination received by the Company after such 60-day period will not be effective under this Section. In the event Employee's employment is terminated by Employee for Good Reason in accordance with this Section, Employee shall be entitled to all compensation, benefits and perquisites paid or accrued as of the date of termination and shall also be entitled to receive severance compensation and benefits in accordance with the provisions of Section 12.

11. Termination Due to Death or Disability. In the event Employee dies or suffers a disability (as defined below) during the term of employment, this Agreement shall automatically be terminated on the date of such death or may be terminated on account of such disability by the Company by written notice to Employee specifying the date of termination. For purposes of this Agreement, Employee shall be considered to have suffered a "disability" upon a determination by the Company, or an admission by Employee, that Employee cannot perform the essential functions of Employee's position as a result of physical or mental incapacity and the occurrence of one or more of the following events:
- (a) Employee becomes eligible for or receives any benefits pursuant to any disability insurance policy as a result of a determination under such policy that Employee is permanently disabled;
 - (b) Employee becomes eligible for or receives any disability benefits under the Social Security Act; or
 - (c) A good faith determination by the Company that Employee is and will likely remain unable to perform the essential functions of Employee's duties or responsibilities hereunder on a full-time basis, with or without reasonable accommodation, as a result of any mental or physical impairment.

In the event of the termination of Employee's employment on account of death or disability, Employee shall be entitled only to such compensation, benefits and perquisites as shall have been paid or accrued as of the date of such termination.

12. Severance Compensation and Benefits. In the event that (a) Employee's employment is either terminated by the Company without Cause under Section 7 or by Employee for Good Reason under Section 9, and (b) Employee is not entitled to any severance compensation or benefits under a "Change in Control" or similar agreement in connection with the termination of Employee's employment relationship, and (c) Employee executes and delivers to the Company, within twenty-one (21) days (or such longer period required by law if applicable) after termination of Employee's employment relationship, and does

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not revoke, a written Release (as defined below), then, except as provided below in this Section 12 and subject to the terms of this Agreement and the aforementioned Release, Employee shall be entitled to receive the following:

- (a) Severance compensation ("Severance Pay") equal to the greater of twelve (12) months of Employee's base salary (based upon Employee's base salary at the time of termination of employment and subject to required tax or other withholdings) payable to Employee in a lump sum within thirty (30) days after the date on which Employee's employment is terminated or the period provided in the Company's severance guidelines in effect at the time; provided, that notwithstanding the foregoing: (i) if the termination of Employee's employment occurs during November or December, the commencement of Severance Pay payable to Employee shall not occur prior to January 1 of the following year, and (ii) if Employee is a "specified employee" under Section 409A of the Internal Revenue Code of 1986, as amended, or any successor law (the "Code"), then any portion of the Severance Pay that is not exempt from Section 409A, and that would otherwise be payable to Employee during the first six (6) months following the termination of Employee's employment, shall not be paid to Employee until after the expiration of such six (6) month period.
- (b) If Employee timely elects in the proper form, pursuant to the Consolidated Budget Reconciliation Act ("COBRA"), to continue health care coverage for Employee and/or Employee's dependents under the health plan in which Employee had coverage at the time of the termination of Employee's employment, and if Employee continues paying the premiums for such COBRA coverage (subject to any COBRA premium subsidy Employee is eligible for under the American Recovery and Reinvestment Act of 2009 or similar law), then the Company will reimburse to Employee monthly (as taxable income to Employee) an amount that is not less than the dollar amount of health care premiums that the Company and its affiliated companies were paying on behalf of Employee and/or Employee's dependents immediately prior to the termination of Employee's employment, such premium reimbursements to continue until the earlier of (i) the date that is twelve (12) months after Employee's employment is terminated, or (ii) the date as of which Employee ceases to carry COBRA continuation health care coverage following Employee's termination of employment.
- (c) Limited out-placement counseling with a company of the Company's choice, provided that Employee commences participation in such counseling immediately following termination of employment, for a period of up to eighteen (18) months following the termination of Employee's employment.

In order to receive the foregoing severance compensation and benefits, Employee must execute and not revoke a release, in a form acceptable to the Company, of any and all claims against the Company and its affiliated companies and all related parties with respect to all matters arising out of Employee's employment by the Company or any of its affiliated companies and the termination thereof (other than claims for any entitlements under the terms of this Agreement or under any plans or programs of the Company or any of its affiliated companies under which Employee has accrued and is due a benefit) (a "Release").

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The Company and Employee mutually acknowledge and agree that payment of the foregoing severance compensation and benefits may be adjusted, from a timing standpoint or in the form or manner of payment, as necessary to comply with (avoid adverse tax consequences under) Section 409A or other applicable provisions of the Code.

13. Confidential Information; Company Property. Employee acknowledges that, by reason of Employee's employment by the Company and/or any of its affiliated companies, Employee has had and/or will have access to confidential information of the Company and its affiliated companies, including, without limitation, information and knowledge pertaining to business strategies, financial performance, products, inventions, discoveries, improvements, innovations, designs, ideas, trade secrets, proprietary information, manufacturing, packaging, advertising, distribution and sales methods, customer and client lists, and relationships among and between the Company and its affiliated companies and their respective dealers, distributors, sales representatives, wholesalers, customers, clients, suppliers and others who have business dealings with them ("Confidential Information"). Employee also acknowledges that such Confidential Information is a valuable and unique asset of the Company and its affiliated companies. Employee promises that, both during and at all times after the period during which Employee is employed by the Company or any of its affiliated companies, Employee will not disclose any such Confidential Information to any person or entity or use any such Confidential Information for the benefit of Employee or any other person or entity (except in either case as Employee's duties as an employee of the Company may require) without the prior written authorization of the Company. In this regard, and in order to comply with Employee's obligations regarding the non-use and non-disclosure of Confidential Information, Employee promises that Employee will not provide advice or services to any person or entity, in any capacity whatsoever, if the Confidential Information possessed by Employee would be useful or of benefit to such person or entity in competing against the Company or any of its affiliated entities or otherwise. The provisions in this Section and this Agreement regarding "Confidential Information" are intended to be supplemental and in addition to, and are not intended to be in lieu or in any way a limitation of, the protections afforded by, and remedies for misuse or misappropriation available under, applicable law regarding the trade secrets of the Company and its affiliated companies.

Employee shall not remove any property or information of Company or its affiliated companies from the Company's premises, except in discharge of Employee's duties or when otherwise authorized by the Company. Employee shall return all of the Company's or its affiliated companies' property and information within seven (7) days following the cessation of Employee's employment for any reason. Upon request by the Company, Employee shall certify in writing that all copies of information subject to this Agreement located on Employee's computers or other electronic storage devices have been permanently deleted; provided, that Employee may retain copies of Employee's personnel file and documents relating to employee benefit programs or insurance plans applicable to Employee and income records to the extent necessary for Employee to prepare individual tax returns.

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14. Non-Competition. Employee promises that, during the period that Employee is employed by the Company or any of its affiliated companies and for eighteen (18) months thereafter, Employee will not, unless acting as an employee of the Company or any of its affiliated companies or with the prior written consent of the Company, directly or indirectly, own, manage, operate, finance, join, control or participate in the ownership, management, operation, financing or control of, or be connected in a competitive capacity as an officer, director, employee, partner, principal, agent, representative, consultant or otherwise with, or use or permit Employee's name to be used in connection with, any business or enterprise that (a) is engaged in the business of designing, engineering, manufacturing, marketing, selling or distributing any products or services that compete with, or are a functional equivalent of or alternative for, any of the products or services designed,

engineered, manufactured, marketed, sold or distributed by the Company or any of its affiliated companies within the year prior to the termination of Employee's employment or that the Company or any of its affiliated companies are about to do so at the time of such termination of employment (the "Competing Products"), and (b) is engaged in any such activities within any state of the United States or the District of Columbia or any other country in which the Company or any of its affiliated companies engages in or is about to engage in any of such activities.

15. No Solicitation. Employee promises that, during the period that Employee is employed by the Company or any of its affiliated companies and for eighteen (18) months thereafter, Employee will not, unless acting as an employee of the Company or any of its affiliated companies or with the prior written consent of the Company, (i) call on or solicit, either directly or indirectly, for any purposes involving the designing, engineering, manufacturing, marketing, selling, purchasing or distributing of any Competing Products, any person, firm, corporation or other entity who or which is or had been, at the time of or within two years prior to the termination of Employee's employment by the Company, a customer of the Company or any of its affiliated companies, or (ii) knowingly solicit for employment, or otherwise for the providing of advice or services, any person who is an employee of the Company or any of its affiliated companies or who was such an employee within six months prior to Employee's termination of employment.
16. Addition to Restricted Period. In the event Employee breaches any of Employee's obligations under Sections 14 or 15, then the period of time during which such provision is to remain in effect following the termination of Employee's employment (such as two years) shall be increased by the same amount of time that Employee was in breach thereof.
17. Survival of Restrictive Covenants. The obligations of Employee under Sections 13, 14 and 15 shall survive the termination of this Agreement and the termination of Employee's employment for any reason, including without limitation a termination of such employment by the Company without Cause or a termination by Employee for Good Reason. A breach by the Company of any contractual, statutory or other obligation to Employee shall not excuse compliance with or terminate Employee's obligations under those Sections or otherwise provide a defense to or preclude the Company from seeking injunctive or other relief in the event of a breach or threatened breach of those obligations by Employee.

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18. Enforcement/Injunctive Relief. Employee and the Company stipulate and agree that it would be difficult to measure any damages to the Company or any of its affiliated companies resulting from a breach of any of the provisions of Sections 13, 14 or 15, but that the potential for damages in such event would be great, incalculable and irremediable, and that monetary damages alone would be an inadequate remedy. Accordingly, Employee agrees that the Company shall be entitled to immediate injunctive relief against such breach, or threatened breach, in any court having jurisdiction, and Employee waives the right in any proceeding to enforce this Agreement by the Company or any of its affiliated companies to assert as a matter of defense or otherwise that the Company or any of its affiliated companies has an adequate remedy at law or has not been or will not be irreparably harmed by a breach or threatened breach by Employee of any of such provisions. The remedies described above shall not be the exclusive remedies, and the Company may seek any other remedy available to it either in law or in equity, including, by way of example only, statutory remedies for misappropriation of trade secrets, and including the recovery of compensatory or punitive damages. The prevailing Party, in addition to any other award in its favor, shall be entitled to recover its attorneys' fees and other costs of litigation from the non-prevailing Party in any action brought to enforce the provisions of Sections 13, 14 or 15.
19. Reasonableness and Judicial Modification of Restrictions. Employee acknowledges and agrees that the terms of the restrictions on Employee in Sections 13, 14 and 15 are fair and reasonable, are not unreasonably broad in scope, are reasonably necessary to protect the property and other interests of the Company and the affiliated companies, and will not prevent Employee from obtaining other suitable employment in the event Employee's employment with the Company terminates. Nevertheless, if the scope of any provision contained in Sections 13, 14 or 15 is deemed by any court having jurisdiction to be too broad to permit enforcement of such provision to its fullest extent, then such provision shall nevertheless be enforced to the maximum extent permitted by applicable law, and the Company and Employee each hereby request any such court to judicially modify any such provision accordingly, and each consent to such judicial modification, in any proceeding brought to enforce such provision.
20. Company Modification of Restrictions. The Company may at any time and from time to time during or after the term of Employee's employment by the Company, on its own initiative and without the necessity of obtaining any consent from or agreement of Employee with respect thereto, modify any of the provisions of Sections 13, 14 or 15 that restrict Employee's actions or rights in whatever manner the Company chooses if such modification makes the provision in question less restrictive or burdensome as to Employee's actions or rights than it was prior to modification. Any such modification will be effective immediately upon the Company's giving written notice to Employee thereof (including the precise wording changes made).
21. Publicly Traded Stock. The provisions of Section 14 shall not prohibit Employee from owning not more than one percent (1%) of the outstanding stock or other corporate security of a company that is traded or quoted on a national securities exchange or national market system.
22. Waiver of Jury Trials. Notwithstanding any right to a jury trial for any claims, Employee and the Company each waive any such right to a jury trial, and agree that any claim of

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any type in connection with Employee's employment by the Company or any of its affiliated companies (including but not limited to employment discrimination litigation, wage litigation, defamation, or any other claim) filed in any court will be tried, if at all, without a jury.

23. Choice of Forum; Consent to Jurisdiction. Any claim or action brought by Employee against the Company or any of its affiliated companies that arises under or relates to this Agreement or is in any way in connection with the employment of Employee by the Company or any of its affiliated companies, or the termination thereof, must be brought and maintained only in a court sitting in either (a) Marion County, Indiana, or Ripley County, Indiana, or, if in a federal court, the United States District Court for the Southern District of Indiana, Indianapolis Division, or (b) the state in which the Company is incorporated or maintains its principal office. Employee consents to the personal jurisdiction of any such court over Employee with respect to any claim or action brought against Employee by the Company or any of its affiliated companies arising under or relating to this Agreement or in any way in connection with Employee's employment by the Company or any of its affiliated companies, or the termination thereof.
24. Choice of Law. This Agreement shall be deemed to have been made in the State of Indiana, and shall be interpreted, construed and enforced in accordance with the laws of that State without regard to the choice of law provisions thereof.
25. Severability. The Parties agree that each and every paragraph, sentence, clause, term and provision of this Agreement is severable and that, in the event any portion of this Agreement is adjudged to be invalid or unenforceable, the remaining portions thereof shall remain in effect and be enforced to the fullest extent permitted by law.
26. Assignment. The rights and obligations of the Company under this Agreement shall inure to its benefit, as well as the benefit of its successor and affiliated companies, and shall be binding upon the successors and assigns of the Company. This Agreement, being personal to Employee, cannot be assigned by Employee, but Employee's personal representative shall be bound by all its terms and conditions.
27. Notices. Except as otherwise specifically provided or permitted elsewhere in this Agreement, any notice required or permitted to be given hereunder shall be sufficient

and deemed to have been given in writing and either hand delivered (in person or by a recognized courier or delivery service) or mailed by certified or registered U.S. Mail, return receipt requested, addressed to Employee at the last known residence address of Employee on the Company's records or to the Company at its principal office address with an additional copy mailed by regular mail to the Office of the General Counsel of Hillenbrand, Inc., One Batesville Boulevard, Batesville, Indiana 47006. This Section is not intended to modify any requirement elsewhere in this Agreement that a notice must be received by a Party ("giving" notice is not the equivalent of "receipt" of notice when receipt is expressly required or specified).

28. Amendments and Waivers. Except as specifically provided herein, any modification, amendment, extension or waiver of this Agreement or any provision hereof must be in writing and must be signed by both Parties or, in the case of a waiver, signed by the Party charged with making such waiver. The waiver by the Company or Employee of a breach

of any provision of this Agreement shall not be construed as a waiver of any subsequent breach.

29. Employee Manuals, Policies, Etc. Notwithstanding anything in this Agreement to the contrary, the Company and its affiliated companies shall have the right from time to time to adopt, modify or amend and maintain in full force and effect any employee manuals, policies or procedures applicable to employees generally (including Employee) and any such adoption, modification or amendment shall be in force and effect without it being considered an amendment or modification of this Agreement.
30. Enforcement by Affiliated Companies. The affiliated companies of the Company are intended to be third party beneficiaries with respect to the provisions of Sections 13-28, both inclusive, to the extent relevant to them, and such Sections shall extend to and may be enforced by any of such affiliated companies in their own names or by the Company on their behalf.
31. Previous Terms Superseded. This Agreement integrates, supersedes and replaces any prior oral or written communications (including, if applicable, an offer letter or an Employment Agreement with the Company or an affiliated company) regarding the terms of employment of Employee, and other matters, addressed in this Agreement. Notwithstanding that statement, the Company and Employee have, will or may enter into other written agreements from time to time concerning various matters pertaining to Employee's employment by the Company. In the event any of the terms of any such other agreements conflict or are inconsistent with the terms of this Agreement, the terms of this Agreement shall prevail.
32. The Company will promptly reimburse Employee for the reasonable attorney fees of Employee incurred in having this Agreement reviewed by legal counsel following submittal of a statement of such fees to the Company.

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IN WITNESS WHEREOF, the Parties have signed this Agreement effective as of the day and year first above written.

"EMPLOYEE"

HILLENBRAND, INC.

Signed: /s/ Scott P. George

By: /s/ Kenneth A. Camp

Printed: Scott P. George

Title: President & CEO

Dated: January 30, 2012

Dated: February 14, 2012

CERTIFICATIONS

Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Kenneth A. Camp, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Hillenbrand, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the periods covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flow of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a.) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b.) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c.) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d.) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a.) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b.) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 7, 2012

/s/ Kenneth A. Camp

Kenneth A. Camp

President and Chief Executive Officer

CERTIFICATIONS

Certification of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Cynthia L. Lucchese certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Hillenbrand, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the periods covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flow of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a.) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b.) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c.) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d.) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a.) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b.) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 7, 2012

/s/ Cynthia L. Lucchese

Cynthia L. Lucchese

Senior Vice President and Chief Financial Officer

Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report of Hillenbrand, Inc. (the Company) on Form 10-Q for the period ending March 31, 2012, as filed with the Securities and Exchange Commission on the date hereof (the Report), I, Kenneth A. Camp, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Kenneth A. Camp

Kenneth A. Camp
President and Chief Executive Officer
May 7, 2012

A signed original of this written statement required by Section 906 has been provided to Hillenbrand, Inc. and will be retained by Hillenbrand, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report of Hillenbrand, Inc. (the Company) on Form 10-Q for the period ending March 31, 2012, as filed with the Securities and Exchange Commission on the date hereof (the Report), I, Cynthia L. Lucchese, Senior Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Cynthia L. Lucchese

Cynthia L. Lucchese
Senior Vice President and Chief Financial Officer
May 7, 2012

A signed original of this written statement required by Section 906 has been provided to Hillenbrand, Inc. and will be retained by Hillenbrand, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.