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**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, 2024**

OR

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

**For the transition period from \_\_\_\_\_ to \_\_\_\_\_**

Commission File Number. 001-33794

**HILLENBRAND, INC.**

(Exact name of registrant as specified in its charter)

**Indiana**  
(State or other jurisdiction of incorporation or organization)

**One Batesville Boulevard**  
**Batesville, Indiana**  
(Address of principal executive offices)

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

**47006**  
(Zip Code)

**(812) 931-5000**  
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, without par value	HI	New York Stock Exchange

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 every Interactive Data File required to be submitted 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 such files). Yes  No

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

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>	Emerging growth company	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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 70,195,438 shares of common stock, no par value per share, outstanding as of April 26, 2024.

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PART I — FINANCIAL INFORMATION

Item 1. FINANCIAL STATEMENTS

**Hillenbrand, Inc.**

**Consolidated Statements of Operations (Unaudited)**

(in millions, except per share data)

	Three Months Ended March 31,		Six Months Ended March 31,	
	2024	2023	2024	2023
Net revenue	\$ 785.3	\$ 690.9	\$ 1,558.6	\$ 1,346.6
Cost of goods sold	534.6	464.8	1,056.9	912.9
Gross profit	250.7	226.1	501.7	433.7
Operating expenses	181.4	139.5	339.3	277.4
Amortization expense	25.7	19.8	51.2	38.9
Pension settlement charge	—	—	8.3	—
Interest expense, net	30.8	18.6	60.6	40.1
Income from continuing operations before income taxes	12.8	48.2	42.3	77.3
Income tax expense	4.2	24.1	14.2	26.4
Income from continuing operations	8.6	24.1	28.1	50.9
(Loss) income from discontinued operations (net of income tax (benefit) expense)	—	(1.5)	(0.3)	19.5
Gain on divestiture of discontinued operations (net of income tax expense)	—	440.9	—	440.9
Total income (loss) from discontinued operations	—	439.4	(0.3)	460.4
Consolidated net income	8.6	463.5	27.8	511.3
Less: Net income attributable to noncontrolling interests	2.5	0.8	4.5	3.1
Net income attributable to Hillenbrand	\$ 6.1	\$ 462.7	\$ 23.3	\$ 508.2
Earnings per share				
Basic earnings per share				
Income from continuing operations attributable to Hillenbrand	\$ 0.09	\$ 0.33	\$ 0.34	\$ 0.69
Income from discontinued operations	—	6.31	—	6.62
Net income attributable to Hillenbrand	\$ 0.09	\$ 6.64	\$ 0.34	\$ 7.31
Diluted earnings per share				
Income from continuing operations attributable to Hillenbrand	\$ 0.09	\$ 0.33	\$ 0.34	\$ 0.68
Income (loss) from discontinued operations	—	6.27	(0.01)	6.59
Net income attributable to Hillenbrand	\$ 0.09	\$ 6.60	\$ 0.33	\$ 7.27
Weighted average shares outstanding (basic)	70.4	69.7	70.4	69.6
Weighted average shares outstanding (diluted)	70.7	70.1	70.6	69.9

See Condensed Notes to Consolidated Financial Statements

**Hillenbrand, Inc.**  
**Consolidated Statements of Comprehensive (Loss) Income (Unaudited)**  
*(in millions)*

	Three Months Ended March 31,		Six Months Ended March 31,	
	2024	2023	2024	2023
Consolidated net income	\$ 8.6	\$ 463.5	\$ 27.8	\$ 511.3
Changes in other comprehensive (loss) income, net of tax:				
Currency translation adjustment <sup>(1)</sup>	(34.1)	19.4	15.2	62.4
Pension and postretirement	—	(1.3)	6.0	(1.5)
Change in net unrealized (loss) gain on derivative instruments	—	(0.4)	0.9	3.3
Total changes in other comprehensive (loss) income, net of tax	(34.1)	17.7	22.1	64.2
Consolidated comprehensive (loss) income	(25.5)	481.2	49.9	575.5
Less: Comprehensive income attributable to noncontrolling interests	2.0	1.0	4.0	3.1
Comprehensive (loss) income attributable to Hillenbrand	\$ (27.5)	\$ 480.2	\$ 45.9	\$ 572.4

<sup>(1)</sup> Includes gains and losses on intra-entity foreign currency transactions that are of a long-term investment nature.

See Condensed Notes to Consolidated Financial Statements

**Hillenbrand, Inc.**  
**Consolidated Balance Sheets**  
*(in millions)*

	March 31, 2024 (unaudited)	September 30, 2023
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 224.4	\$ 242.9
Trade receivables, net	348.5	398.7
Receivables from long-term manufacturing contracts, net	329.7	260.2
Inventories, net	588.9	592.6
Prepaid expenses and other current assets	137.1	113.2
Total current assets	<u>1,628.6</u>	<u>1,607.6</u>
Property, plant, and equipment, net	329.4	320.7
Operating lease right-of-use assets, net	112.0	111.3
Intangible assets, net	1,346.8	1,377.1
Goodwill	2,044.5	2,028.1
Other long-term assets	109.2	102.9
<b>Total Assets</b>	<u>\$ 5,570.5</u>	<u>\$ 5,547.7</u>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Trade accounts payable	\$ 452.5	\$ 451.5
Liabilities from long-term manufacturing contracts and advances	369.8	388.5
Current portion of long-term debt	20.0	19.7
Accrued compensation	116.1	99.6
Other current liabilities	253.7	331.7
Total current liabilities	<u>1,212.1</u>	<u>1,291.0</u>
Long-term debt	2,087.0	1,990.4
Accrued pension and postretirement healthcare	101.5	101.4
Operating lease liabilities	85.3	88.1
Deferred income taxes	314.5	351.2
Other long-term liabilities	87.9	62.7
<b>Total Liabilities</b>	<u>3,888.3</u>	<u>3,884.8</u>
Commitments and contingencies (Note 15)		
<b>SHAREHOLDERS' EQUITY</b>		
Common stock, no par value (75.8 and 75.8 shares issued, 70.2 and 69.9 shares outstanding)	—	—
Additional paid-in capital	704.2	709.5
Retained earnings	1,311.3	1,319.6
Treasury stock (5.6 and 5.9 shares, at cost)	(239.9)	(251.7)
Accumulated other comprehensive loss	(124.5)	(147.1)
Hillenbrand Shareholders' Equity	<u>1,651.1</u>	<u>1,630.3</u>
Noncontrolling interests	31.1	32.6
<b>Total Shareholders' Equity</b>	<u>1,682.2</u>	<u>1,662.9</u>
<b>Total Liabilities and Shareholders' Equity</b>	<u>\$ 5,570.5</u>	<u>\$ 5,547.7</u>

See Condensed Notes to Consolidated Financial Statements

**Hillenbrand, Inc.**  
**Consolidated Statements of Cash Flows (Unaudited)**  
*(in millions)*

	Six Months Ended March 31,	
	2024	2023
<b>Operating activities from continuing operations</b>		
Consolidated net income	\$ 27.8	\$ 511.3
Adjustments to reconcile income from continuing operations to (used in) provided by operating activities:		
Total loss (income) from discontinued operations (net of income tax (benefit) expense)	0.3	(460.4)
Depreciation and amortization	80.0	62.0
Deferred income taxes	(41.3)	(10.8)
Amortization of deferred financing costs	2.0	1.9
Share-based compensation	9.9	11.8
Trade accounts receivable, net and receivables from long-term manufacturing contracts	(13.5)	(79.1)
Inventories, net	5.4	13.2
Prepaid expenses and other current assets	(32.3)	(1.4)
Trade accounts payable	(1.1)	(1.6)
Liabilities from long-term manufacturing contracts and advances, accrued compensation, and other current liabilities	(53.0)	(4.5)
Income taxes payable	(11.5)	11.3
Accrued pension and postretirement	5.6	(3.1)
Other, net	0.9	(5.9)
Net cash (used in) provided by operating activities from continuing operations	(20.8)	44.7
<b>Investing activities from continuing operations</b>		
Capital expenditures	(25.2)	(32.2)
Proceeds from sales of property, plant, and equipment	0.1	0.8
Acquisition of businesses, net of cash acquired	—	(626.8)
Proceeds from divestitures, net of cash divested	—	696.7
Other, net	(2.8)	—
Net cash (used in) provided by investing activities from continuing operations	(27.9)	38.5
<b>Financing activities from continuing operations</b>		
Proceeds from issuance of long-term debt	500.0	200.0
Repayments on long-term debt	(10.0)	(102.5)
Proceeds from revolving credit facilities	185.1	829.3
Repayments on revolving credit facilities	(585.0)	(887.1)
Payment of deferred financing costs	(6.2)	(0.6)
Payments of dividends on common stock	(31.2)	(30.6)
Proceeds from stock option exercises	2.3	10.6
Payments for employee taxes on net settlement equity awards	(6.1)	(12.2)
Other, net	(2.7)	(1.5)
Net cash provided by financing activities from continuing operations	46.2	5.4
<b>Cash (used in) provided by continuing operations</b>	<b>(2.5)</b>	<b>88.6</b>
Cash (used in) provided by discontinued operations:		
Operating cash flows	(23.3)	4.2
Investing cash flows	—	(7.6)
Total cash used in discontinued operations	(23.3)	(3.4)
Effect of exchange rates on cash and cash equivalents	0.8	(6.9)
<b>Net cash flows</b>	<b>(25.0)</b>	<b>78.3</b>
<b>Cash and cash equivalents:</b>		
At beginning of period	250.2	237.6
At end of period	\$ 225.2	\$ 315.9

See Condensed Notes to Consolidated Financial Statements

**Hillenbrand, Inc.**  
**Consolidated Statements of Shareholders' Equity (Unaudited)**  
*(in millions)*

Shareholders of Hillenbrand, Inc.								
Three Months Ended March 31, 2024								
	Common Stock	Additional	Retained	Treasury Stock		Accumulated	Noncontrolling	Total
	Shares	Paid-in	Earnings	Shares	Amount	Other	Interests	
		Capital				Comprehensive		
						Loss		
<b>Balance at December 31, 2023</b>	<b>75.8</b>	<b>\$ 701.2</b>	<b>\$ 1,321.0</b>	<b>5.7</b>	<b>\$ (242.7)</b>	<b>\$ (90.9)</b>	<b>\$ 30.4</b>	<b>\$ 1,719.0</b>
Total other comprehensive loss, net of tax	—	—	—	—	—	(33.6)	(0.5)	(34.1)
Net income	—	—	6.1	—	—	—	2.5	8.6
Issuance/retirement of stock for stock awards/options	—	(1.9)	—	(0.1)	2.8	—	—	0.9
Share-based compensation	—	4.7	—	—	—	—	—	4.7
Dividends (\$0.2225 per share)	—	0.2	(15.8)	—	—	—	(1.3)	(16.9)
<b>Balance at March 31, 2024</b>	<b>75.8</b>	<b>\$ 704.2</b>	<b>\$ 1,311.3</b>	<b>5.6</b>	<b>\$ (239.9)</b>	<b>\$ (124.5)</b>	<b>\$ 31.1</b>	<b>\$ 1,682.2</b>

Six Months Ended March 31, 2024								
	Common Stock	Additional	Retained	Treasury Stock		Accumulated	Noncontrolling	Total
	Shares	Paid-in	Earnings	Shares	Amount	Other	Interests	
		Capital				Comprehensive		
						Loss		
<b>Balance at September 30, 2023</b>	<b>75.8</b>	<b>\$ 709.5</b>	<b>\$ 1,319.6</b>	<b>5.9</b>	<b>\$ (251.7)</b>	<b>\$ (147.1)</b>	<b>\$ 32.6</b>	<b>\$ 1,662.9</b>
Total other comprehensive income (loss), net of tax	—	—	—	—	—	22.6	(0.5)	22.1
Net income	—	—	23.3	—	—	—	4.5	27.8
Issuance/retirement of stock for stock awards/options	—	(15.6)	—	(0.3)	11.8	—	—	(3.8)
Share-based compensation	—	9.9	—	—	—	—	—	9.9
Dividends (\$0.4450 per share)	—	0.4	(31.6)	—	—	—	(2.5)	(33.7)
Purchase of noncontrolling interests	—	—	—	—	—	—	(3.0)	(3.0)
<b>Balance at March 31, 2024</b>	<b>75.8</b>	<b>\$ 704.2</b>	<b>\$ 1,311.3</b>	<b>5.6</b>	<b>\$ (239.9)</b>	<b>\$ (124.5)</b>	<b>\$ 31.1</b>	<b>\$ 1,682.2</b>

Shareholders of Hillenbrand, Inc.								
Three Months Ended March 31, 2023								
	Common Stock	Additional	Retained	Treasury Stock		Accumulated	Noncontrolling	Total
	Shares	Paid-in	Earnings	Shares	Amount	Other	Interests	
		Capital				Comprehensive		
						Loss		
<b>Balance at December 31, 2022</b>	<b>75.8</b>	<b>\$ 706.5</b>	<b>\$ 842.0</b>	<b>6.5</b>	<b>\$ (277.0)</b>	<b>\$ (108.9)</b>	<b>\$ 30.2</b>	<b>\$ 1,192.8</b>
Total other comprehensive income, net of tax	—	—	—	—	—	17.5	0.2	17.7
Net income	—	—	462.7	—	—	—	0.8	463.5
Issuance/retirement of stock for stock awards/options	—	(9.4)	—	(0.3)	10.1	—	—	0.7
Share-based compensation	—	7.4	—	—	—	—	—	7.4
Dividends (\$0.22 per share)	—	0.2	(15.5)	—	—	—	—	(15.3)
<b>Balance at March 31, 2023</b>	<b>75.8</b>	<b>\$ 704.7</b>	<b>\$ 1,289.2</b>	<b>6.2</b>	<b>\$ (266.9)</b>	<b>\$ (91.4)</b>	<b>\$ 31.2</b>	<b>\$ 1,666.8</b>

Six Months Ended March 31, 2023								
	Common Stock	Additional	Retained	Treasury Stock		Accumulated	Noncontrolling	Total
	Shares	Paid-in	Earnings	Shares	Amount	Other	Interests	
		Capital				Comprehensive		
						Loss		
<b>Balance at September 30, 2022</b>	<b>75.8</b>	<b>\$ 723.8</b>	<b>\$ 812.0</b>	<b>6.9</b>	<b>\$ (297.3)</b>	<b>\$ (155.6)</b>	<b>\$ 25.1</b>	<b>\$ 1,108.0</b>
Total other comprehensive income, net of tax	—	—	—	—	—	64.2	—	64.2
Net income	—	—	508.2	—	—	—	3.1	511.3
Issuance/retirement of stock for stock awards/options	—	(32.0)	—	(0.7)	30.4	—	—	(1.6)
Share-based compensation	—	12.5	—	—	—	—	—	12.5
Dividends (\$0.44 per share)	—	0.4	(31.0)	—	—	—	(1.6)	(32.2)
Acquisition of noncontrolling interests	—	—	—	—	—	—	4.6	4.6
<b>Balance at March 31, 2023</b>	<b>75.8</b>	<b>\$ 704.7</b>	<b>\$ 1,289.2</b>	<b>6.2</b>	<b>\$ (266.9)</b>	<b>\$ (91.4)</b>	<b>\$ 31.2</b>	<b>\$ 1,666.8</b>

See Condensed Notes to Consolidated Financial Statements



**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. (the “Company” or “Hillenbrand”) is a global industrial company that provides highly-engineered processing equipment and solutions to customers around the world. Our portfolio is composed of leading industrial brands that serve large, attractive end markets, including durable plastics, food, and recycling. Guided by our Purpose, Shape What Matters for Tomorrow™, we pursue excellence, collaboration, and innovation to shape solutions that best serve our people, our customers, and our communities. Customers choose Hillenbrand due to our reputation for designing, manufacturing, and servicing highly-engineered, mission-critical equipment and solutions that meet their unique and complex processing requirements.

On February 1, 2023, the Company completed the divestiture of its historical Batesville reportable operating segment (“Batesville”) to BL Memorial Partners, LLC, a Delaware limited liability company owned by funds affiliated with LongRange Capital, L.P., for \$761.5, including an \$11.5 subordinated note.

This divestiture represented a strategic shift in Hillenbrand’s business and qualified as a discontinued operation. Accordingly, the operating results and cash flows related to Batesville have been reflected as discontinued operations in the Consolidated Statements of Operations and the Consolidated Statements of Cash Flows for all periods presented. Unless otherwise noted, discussion within the condensed notes to the Consolidated Financial Statements relates to continuing operations only and excludes Batesville. See Note 4 for additional information on this divestiture.

The Company is providing, and will continue to provide, certain transition services to Batesville for applicable fees that are not material to the Company’s consolidated financial position. The transition services vary in duration depending upon the type of service provided.

As a result of the divestiture, Hillenbrand is now composed of two reportable operating segments: Advanced Process Solutions and Molding Technology Solutions. Advanced Process Solutions is a leading global provider of highly-engineered process and material handling equipment, systems, and aftermarket parts and services for a variety of industries, including durable plastics, food, and recycling. Molding Technology Solutions is a global leader in highly-engineered equipment, systems, and aftermarket parts and service for the plastic technology processing industry. Molding Technology Solutions has a comprehensive product portfolio that includes injection molding and extrusion equipment, hot runner systems, process control systems, mold bases and components, and maintenance, repair, and operating (“MRO”) supplies.

The Consolidated Financial Statements include the accounts of Hillenbrand and its subsidiaries. They also include three subsidiaries where the Company’s ownership percentage is less than 100%. The Company’s fiscal year ends on September 30. Unless otherwise stated, references to years refer to fiscal years.

These unaudited Consolidated 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 United States (“U.S.”) generally accepted accounting principles (“GAAP”). The unaudited Consolidated Financial Statements have been prepared on the same basis as, and should be read in conjunction with, the audited Consolidated Financial Statements and notes thereto included in the Company’s latest Annual Report on Form 10-K for the year ended September 30, 2023, as filed with the SEC on November 15, 2023. In the opinion of management, these unaudited Consolidated Financial Statements reflect all adjustments necessary to present a fair statement of the Company’s consolidated financial position and the consolidated results of operations and cash flows as of the dates and for the periods presented and are normal and recurring in nature. The interim period results are subject to variation and are not necessarily indicative of the consolidated results of operations to be expected for the full fiscal year.

The preparation of the Consolidated Financial Statements in conformity with GAAP requires the Company to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the Consolidated Financial Statements and the reported amounts of net revenue and expenses during the period. Actual results could differ from those estimates. Examples of such estimates include, but are not limited to, revenue recognition under the over time method, establishment of reserves related to credit losses, warranties, inventories, income taxes, litigation, and self-insurance.

2. Summary of Significant Accounting Policies

The significant accounting policies used in preparing the Consolidated Financial Statements are consistent with the accounting policies described in the Company's Annual Report on Form 10-K as of and for the year ended September 30, 2023.

***Recently adopted accounting standards***

In September 2022, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2022-04, *Liabilities - Supplier Finance Programs (Subtopic 405-50); Disclosure of Supplier Finance Program Obligations*. ASU 2022-04 requires entities that use supplier finance programs to disclose information about the nature and potential magnitude of the programs, activity during the period, and changes from period to period. ASU 2022-04 does not affect the recognition, measurement, or consolidated financial statement presentation of obligations covered by supplier finance programs. The Company adopted ASU 2022-04 effective October 1, 2023. The adoption of ASU 2022-04 did not have a material effect on our Consolidated Financial Statements and related disclosures. See Note 6 for further details.

***Recently issued accounting standards***

In November 2023, the FASB issued ASU 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*. ASU 2023-07 requires additional disclosures pertaining to significant expenses and other items of an entity's reportable operating segments. ASU 2023-07 is effective for annual periods beginning after December 15, 2023 (fiscal 2025). Early adoption is permitted. The Company is currently evaluating the impact of ASU 2023-07 on the Consolidated Financial Statements.

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, which expands disclosures in an entity's income tax rate reconciliation table and regarding cash taxes paid both in the U.S. and foreign jurisdictions. ASU 2023-09 will be effective for annual periods beginning after December 15, 2024 (fiscal 2026). The Company is currently evaluating the impact of ASU 2023-09 on the Consolidated Financial Statements.

No other new accounting pronouncements recently adopted or issued had or are expected to have a material impact on the Consolidated Financial Statements.

3. Revenue Recognition

Net revenue includes gross revenue less sales discounts and sales incentives, all of which require the Company to make estimates for the portion of these allowances that have yet to be credited or paid to customers. The Company estimates these allowances based upon historical experience.

***Contract balances***

The balance in receivables from long-term manufacturing contracts at March 31, 2024 and September 30, 2023, was \$29.7 and \$260.2, respectively. The change was driven by the impact of net revenue recognized prior to billings to customers. The balance in the liabilities from long-term manufacturing contracts and advances at March 31, 2024 and September 30, 2023, was \$369.8 and \$388.5, respectively, and consists primarily of cash payments received in advance of satisfying performance obligations. The net revenue recognized for the six months ended March 31, 2024 and 2023, related to liabilities from long-term manufacturing contracts and advances as of September 30, 2023 and 2022, was \$209.7 and \$147.1, respectively. During the three and six months ended March 31, 2024 and 2023, the adjustments related to performance obligations satisfied in previous periods were immaterial.

***Transaction price allocated to the remaining performance obligations***

As of March 31, 2024, the aggregate amount of transaction price of remaining performance obligations for the Company, which corresponds to backlog as defined in Part I, Item 2 of this Quarterly Report on Form 10-Q, was \$2,106.9. Approximately 84% of these performance obligations are expected to be satisfied over the next twelve months, and the remaining performance obligations, primarily within one to three years.

**Disaggregation of revenue**

The following tables present net revenue by end market:

	Three Months Ended March 31, 2024			Six Months Ended March 31, 2024		
	Advanced Process Solutions	Molding Technology Solutions	Total	Advanced Process Solutions	Molding Technology Solutions	Total
<b>End market</b>						
Plastics and recycling	\$ 237.5	\$ —	\$ 237.5	\$ 481.1	\$ —	\$ 481.1
Automotive	—	49.1	49.1	—	89.8	89.8
Chemicals	47.7	—	47.7	93.1	—	93.1
Consumer goods	—	23.4	23.4	—	51.7	51.7
Food and pharmaceuticals	175.1	—	175.1	357.9	—	357.9
Custom molders	—	24.3	24.3	—	49.4	49.4
Packaging	—	34.6	34.6	—	64.2	64.2
Construction	14.0	32.6	46.6	31.7	57.6	89.3
Minerals	21.0	—	21.0	41.0	—	41.0
Electronics	—	13.3	13.3	—	26.2	26.2
Medical	—	16.4	16.4	—	32.4	32.4
Other industrial	63.9	32.4	96.3	122.7	59.8	182.5
Total	\$ 559.2	\$ 226.1	\$ 785.3	\$ 1,127.5	\$ 431.1	\$ 1,558.6

  

	Three Months Ended March 31, 2023			Six Months Ended March 31, 2023		
	Advanced Process Solutions	Molding Technology Solutions	Total	Advanced Process Solutions	Molding Technology Solutions	Total
<b>End market</b>						
Plastics and recycling	\$ 248.3	\$ —	\$ 248.3	\$ 489.1	\$ —	\$ 489.1
Automotive	—	52.5	52.5	—	101.7	101.7
Chemicals	32.1	—	32.1	56.8	—	56.8
Consumer goods	—	34.3	34.3	—	67.4	67.4
Food and pharmaceuticals	98.6	—	98.6	202.4	—	202.4
Custom molders	—	30.7	30.7	—	57.3	57.3
Packaging	—	37.4	37.4	—	66.0	66.0
Construction	—	38.7	38.7	—	69.8	69.8
Minerals	18.7	—	18.7	32.5	—	32.5
Electronics	—	19.7	19.7	—	35.6	35.6
Medical	—	15.2	15.2	—	31.7	31.7
Other industrial	32.8	31.9	64.7	62.5	73.8	136.3
Total	\$ 430.5	\$ 260.4	\$ 690.9	\$ 843.3	\$ 503.3	\$ 1,346.6

The following tables present net revenue by geography:

	Three Months Ended March 31, 2024			Six Months Ended March 31, 2024		
	Advanced Process Solutions	Molding Technology Solutions	Total	Advanced Process Solutions	Molding Technology Solutions	Total
<b>Geography <sup>(1)</sup></b>						
Americas	\$ 257.9	\$ 127.5	\$ 385.4	\$ 522.1	\$ 237.4	\$ 759.5
Asia	134.2	62.6	196.8	280.4	123.1	403.5
Europe, the Middle East, and Africa	167.1	36.0	203.1	325.0	70.6	395.6
<b>Total</b>	<b>\$ 559.2</b>	<b>\$ 226.1</b>	<b>\$ 785.3</b>	<b>\$ 1,127.5</b>	<b>\$ 431.1</b>	<b>\$ 1,558.6</b>

  

	Three Months Ended March 31, 2023			Six Months Ended March 31, 2023		
	Advanced Process Solutions	Molding Technology Solutions	Total	Advanced Process Solutions	Molding Technology Solutions	Total
<b>Geography <sup>(1)</sup></b>						
Americas	\$ 159.0	\$ 157.1	\$ 316.1	\$ 297.5	\$ 293.3	\$ 590.8
Asia	142.3	65.3	207.6	291.0	133.5	424.5
Europe, the Middle East, and Africa	129.2	38.0	167.2	254.8	76.5	331.3
<b>Total</b>	<b>\$ 430.5</b>	<b>\$ 260.4</b>	<b>\$ 690.9</b>	<b>\$ 843.3</b>	<b>\$ 503.3</b>	<b>\$ 1,346.6</b>

<sup>(1)</sup> The Company attributes net revenue to a geography based upon the location of the end customer.

The following tables present net revenue by products and services:

	Three Months Ended March 31, 2024			Six Months Ended March 31, 2024		
	Advanced Process Solutions	Molding Technology Solutions	Total	Advanced Process Solutions	Molding Technology Solutions	Total
<b>Products and services</b>						
Equipment	\$ 375.3	\$ 137.0	\$ 512.3	\$ 757.3	\$ 264.2	\$ 1,021.5
Parts and services	183.9	73.8	257.7	370.2	136.6	506.8
Other	—	15.3	15.3	—	30.3	30.3
<b>Total</b>	<b>\$ 559.2</b>	<b>\$ 226.1</b>	<b>\$ 785.3</b>	<b>\$ 1,127.5</b>	<b>\$ 431.1</b>	<b>\$ 1,558.6</b>

  

	Three Months Ended March 31, 2023			Six Months Ended March 31, 2023		
	Advanced Process Solutions	Molding Technology Solutions	Total	Advanced Process Solutions	Molding Technology Solutions	Total
<b>Products and services</b>						
Equipment	\$ 305.5	\$ 173.2	\$ 478.7	\$ 610.8	\$ 335.3	\$ 946.1
Parts and services	125.0	70.8	195.8	232.5	135.4	367.9
Other	—	16.4	16.4	—	32.6	32.6
<b>Total</b>	<b>\$ 430.5</b>	<b>\$ 260.4</b>	<b>\$ 690.9</b>	<b>\$ 843.3</b>	<b>\$ 503.3</b>	<b>\$ 1,346.6</b>

The following tables present net revenue by timing of transfer:

	Three Months Ended March 31, 2024			Six Months Ended March 31, 2024		
	Advanced Process Solutions	Molding Technology Solutions	Total	Advanced Process Solutions	Molding Technology Solutions	Total
<b>Timing of transfer</b>						
Point in time	\$ 281.6	\$ 205.2	\$ 486.8	\$ 559.7	\$ 391.7	\$ 951.4
Over time	277.6	20.9	298.5	567.8	39.4	607.2
Total	\$ 559.2	\$ 226.1	\$ 785.3	\$ 1,127.5	\$ 431.1	\$ 1,558.6

  

	Three Months Ended March 31, 2023			Six Months Ended March 31, 2023		
	Advanced Process Solutions	Molding Technology Solutions	Total	Advanced Process Solutions	Molding Technology Solutions	Total
<b>Timing of transfer</b>						
Point in time	\$ 221.6	\$ 226.1	\$ 447.7	\$ 441.8	\$ 456.1	\$ 897.9
Over time	208.9	34.3	243.2	401.5	47.2	448.7
Total	\$ 430.5	\$ 260.4	\$ 690.9	\$ 843.3	\$ 503.3	\$ 1,346.6

#### 4. Divestiture

As previously described, on February 1, 2023, the Company completed the divestiture of Batesville to BL Memorial Partners, LLC, a Delaware limited liability company owned by funds affiliated with LongRange Capital, L.P., for \$761.5, including an \$11.5 subordinated note. At closing, after the applicable adjustments, the Company received \$698.0 in pre-tax cash proceeds, including an adjustment for cash on hand acquired from the Company, and the previously mentioned subordinated note.

Certain indirect corporate costs included within operating expenses in the Consolidated Statements of Operations that were previously allocated to Batesville do not qualify for classification within discontinued operations and are now reported as operating expenses in continuing operations within corporate expenses. In addition, costs directly attributable to the Batesville reportable operating segment divestiture have been reflected in discontinued operations. As a result, income before income taxes of the historical Batesville reportable operating segment decreased \$14.4 and \$17.9 for the three and six months ended March 31, 2023, respectively.

#### *Discontinued operations*

Components of amounts reflected in the Consolidated Statements of Operations related to discontinued operations are presented in the table, as follows:

	Three Months Ended March 31,		Six Months Ended March 31,	
	2024	2023	2024	2023
Net revenue	\$ —	\$ 57.7	\$ —	\$ 213.7
Cost of goods sold	—	38.5	—	142.2
Gross profit	—	19.2	—	71.5
Operating expenses	—	23.1	0.3	44.0
(Loss) income from discontinued operations before income taxes	—	(3.9)	(0.3)	27.5
Income tax (benefit) expense	—	(2.4)	—	8.0
(Loss) income from discontinued operations (net of income tax (benefit) expense)	—	(1.5)	(0.3)	19.5
Gain on divestiture of discontinued operations (net of income tax expense of \$145.1)	—	440.9	—	440.9
Total income (loss) from discontinued operations	\$ —	\$ 439.4	\$ (0.3)	\$ 460.4

5. Acquisitions

**Acquisition of Schenck Process Food and Performance Materials Business**

On September 1, 2023, the Company completed its acquisition of Schenck Process Food and Performance Materials (“FPM”) for \$763.3, net of cash acquired, which consisted of \$748.7 in consideration paid at the acquisition date, plus contingent consideration of \$14.6. The contingent consideration of \$14.6 reflects the estimated fair value, as of the date of acquisition, of contingent future cash payments based on the value of certain research and development tax credits that were generated by FPM prior to the acquisition date. The value of these credits, and therefore the payment of the contingent consideration, is subject to audit by the tax authorities and to the closing of the statute of limitations for the year in which the tax credits are fully utilized, the timing of which is not able to be determined at this time, but we expect to extend several years. We estimated the fair value based on a third-party evaluation of the research and development tax credits completed during the six months ended March 31, 2024 and do not expect the amount to exceed \$14.6. The purchase price is also subject to certain customary post-closing adjustments. The Company used available borrowings under its multi-currency revolving credit facility (the “Facility”) to fund the cash consideration portion of this acquisition.

Headquartered in Kansas City, Missouri, FPM specializes in the design, manufacturing, and service of feeding, filtration, baking, and material handling technologies and systems that are highly complementary to the equipment and solutions offered in our Advanced Process Solutions reportable operating segment. The results of FPM since the date of the acquisition are included in the Advanced Process Solutions reportable operating segment.

*Preliminary purchase price allocation and other items*

The Company used the services of an independent valuation consultant, along with estimates and assumptions determined by management, to estimate the fair value of the assets acquired and liabilities assumed. The preliminary allocation of the purchase price was based on an evaluation of the appropriate fair values and represents management’s best estimate based on available data. The purchase price allocation of the assets acquired and liabilities assumed is preliminary until the contractual post-closing adjustments are finalized, and the measurement period allowed for under Accounting Standards Codification (“ASC 805”), *Business Combinations* (“ASC 805”) has closed. The final determination of the fair value of assets acquired and liabilities assumed will be completed within the one-year measurement period as allowed by ASC 805. Changes during the measurement period could be material. Based on current fair value estimates, the preliminary purchase price for FPM has been allocated to individual assets acquired and liabilities assumed as of the acquisition date:

	September 1, 2023 (as initially reported)	Measurement Period Adjustments	September 1, 2023 (as adjusted)
<b>Assets acquired:</b>			
Cash and cash equivalents	\$ 17.3	\$ —	\$ 17.3
Trade receivables	65.2	(1.6)	63.6
Receivables from long-term manufacturing contracts	22.4	—	22.4
Inventories	64.8	(3.9)	60.9
Prepaid expenses and other current assets	10.3	(0.1)	10.2
Property, plant, and equipment	27.3	14.3	41.6
Operating lease right-of-use assets	11.0	3.1	14.1
Intangible assets	338.0	1.4	339.4
Goodwill	476.5	1.5	478.0
Other non-current assets	2.7	4.1	6.8
Total assets acquired	1,035.5	18.8	1,054.3
<b>Liabilities assumed:</b>			
Trade accounts payable	59.4	(2.4)	57.0
Liabilities from long-term manufacturing contracts	86.6	—	86.6
Accrued compensation	13.5	—	13.5
Other current liabilities	45.7	1.4	47.1
Operating lease liabilities	9.5	—	9.5
Deferred income taxes	69.0	4.2	73.2
Other non-current liabilities	3.1	1.0	4.1
Total liabilities assumed	286.8	4.2	291.0
<b>Net assets acquired</b>	\$ 748.7	\$ 14.6	\$ 763.3

#### *Measurement period adjustments*

The preliminary purchase price allocation was based upon a preliminary valuation, and the Company's estimates and assumptions are subject to change within the measurement period (defined as one year following the acquisition date). As a result of further refining its estimates and assumptions since the date of the acquisition, the Company recorded measurement period adjustments to the initial opening balance sheet as shown in the table above. Adjustments were primarily made to inventories, property, plant, and equipment, operating lease right-of-use assets, other non-current assets, and deferred income taxes. There were no measurement period adjustments materially impacting earnings that would have been recorded in previous reporting periods if the adjustments had been recognized as of the acquisition date.

#### *Intangible assets identified*

The preliminary purchase price allocation included \$339.4 of acquired identifiable intangible assets. Intangible assets consist of FPM's technology, Baker Perkins trade name, and customer relationships and will be amortized on a straight-line basis over the respective estimated periods for which the intangible assets will provide economic benefit to the Company. The determination of the useful lives is based upon various industry studies, historical acquisition experience, degree of stability in the current FPM customer base, economic factors, and expected future cash flows of the Company following the acquisition of FPM. The technology and Baker Perkins trade name were valued using the relief-from-royalty method of the income approach. Customer relationships were valued using the multi-period excess earnings method of the income approach. Significant assumptions used in the valuations included FPM's future cash flow projections, which were based on estimates used to price the FPM acquisition, discount rates that were benchmarked with reference to the implied rate of return to the Company's pricing model, and the applicable weighted-average cost of capital (12%).

The preliminary amounts allocated to intangible assets are as follows:

	Gross Carrying Amount	Weighted-Average Useful Life
Customer relationships	\$ 285.0	15 years
Technology	49.0	12 years
Trade name	4.4	5 years
Other	1.0	6 years
Total intangible assets	<u>\$ 339.4</u>	

Goodwill was calculated as the excess of the consideration transferred over the net assets recognized and represents the estimated future economic benefits arising from other assets acquired that could not be individually identified and separately recognized. The factors contributing to the recognition of goodwill were based on strategic benefits that are expected to be realized from the acquisition. None of the goodwill is expected to be deductible for income tax purposes.

The working capital assets and liabilities, as well as the property, plant, and equipment acquired, were valued using Level 2 inputs, which included data points that are observable, such as definitive sales agreements, appraisals or established market values of comparable assets (market approach). Identifiable intangible assets were valued using Level 3 inputs, which are unobservable by nature, and included internal estimates of future cash flows (income approach). Significant increases (decreases) in any of those unobservable inputs in isolation would result in a significantly lower (higher) fair value measurement. Management used a third-party valuation firm to assist in the determination of the preliminary purchase accounting fair values, specifically those considered Level 3 measurements. Management oversees the third-party valuation firm to ensure that the transaction-specific assumptions are appropriate for the Company.

*Impact on results of operations*

The results of FPM’s operations have been included in Hillenbrand’s Consolidated Financial Statements since the September 1, 2023 acquisition date. The following table provides the results of operations for FPM included in Hillenbrand’s Consolidated Statement of Operations:

	Three Months Ended March 31, 2024	Six Months Ended March 31, 2024
Net revenue	\$ 126.0	\$ 272.0
Income from continuing operations before income taxes	12.7	26.8

During the six months ended March 31, 2024, the Company incurred \$0.4 in acquisition expenses related to the FPM acquisition, which are included in operating expenses in the Consolidated Statement of Operations.

***Acquisition of Peerless Food Equipment***

On December 1, 2022, the Company completed the acquisition of the Peerless Food Equipment division (“Peerless”) of Illinois Tool Works Inc. for a purchase price of \$59.2, including cash acquired, using available borrowings under the Facility. Headquartered in Sidney, Ohio, Peerless is a premier supplier of industrial food processing equipment.

The acquisition of Peerless increased the Company’s scale in the food end market, and combining Peerless’ highly complementary equipment and solutions with existing Advanced Process Solutions reportable operating segment technologies now allows the Company to deliver more comprehensive solutions to its customers. The results of Peerless since the date of acquisition are included in the Advanced Process Solutions reportable operating segment.

***Acquisition of LINXIS Group SAS***

On October 6, 2022, the Company completed the acquisition of LINXIS Group SAS (“Linxis”) from IBERIS INTERNATIONAL S.À R.L, an affiliate of IK Partners, and additional sellers (collectively, the “Sellers”). As a result of the acquisition, the Company acquired from the Sellers all of the issued and outstanding securities of Linxis, and Linxis became a wholly owned subsidiary of the Company for total aggregate consideration of \$590.8 (€596.2) in cash, reflecting an approximate enterprise value of \$566.8 (€572.0) plus cash acquired at closing. The Company used available borrowings under the Facility to fund this acquisition.



Linxis has six market-leading brands – Bakon, Diosna, Shaffer, Shick Esteve, Unifiller, and VMI – that serve customers in over one hundred countries. With a global manufacturing, sales and service footprint, Linxis specializes in the design, manufacturing, and service of dosing, kneading, mixing, granulating, drying, and coating technologies. The purchase price allocation was finalized during the year ended September 30, 2023. The results of Linxis since the date of acquisition are included in the Advanced Process Solutions reportable operating segment.

#### **Supplemental Pro Forma Information**

The supplemental pro forma financial information presented below for the historical period is for illustrative purposes only and is not necessarily indicative of the financial position or results of operations that would have been realized if the FPM acquisition had been completed on the date indicated, do not reflect synergies that might have been achieved, and are not indicative of future results of operations or financial position. The pro forma adjustments are based upon currently available information and certain assumptions that Hillenbrand believes are reasonable under the circumstances.

The supplemental pro forma financial information reflects pro forma adjustments to present the combined pro forma results of operations as if the acquisition of FPM had occurred on October 1, 2022, to give effect to certain events that Hillenbrand believes to be directly attributable to the acquisitions. These pro forma adjustments primarily include:

- an increase to depreciation and amortization expense that would have been recognized due to acquired tangible and intangible assets;
- an adjustment to remove business acquisition and integration costs and inventory step-up costs during the three and six months ended March 31, 2023, as these costs are non-recurring in nature and would not have a continuing effect on Hillenbrand's results of operations; and
- the related income tax effects of the adjustments noted above.

The supplemental pro forma financial information for the historical period presented is as follows:

	<b>Three Months Ended March 31, 2023</b>	<b>Six Months Ended March 31, 2023</b>
Net revenue	\$ 801.0	\$ 1,614.5
Income from continuing operations attributable to Hillenbrand	19.8	40.6
Income from continuing operations attributable to Hillenbrand — per share of common stock:		
Basic earnings per share from continuing operations	\$ 0.28	\$ 0.58
Diluted earnings per share from continuing operations	\$ 0.28	\$ 0.58

6. Supplemental Consolidated Balance Sheet Information

	March 31, 2024	September 30, 2023
Allowance for credit losses	\$ 9.6	\$ 10.1
Warranty reserves	\$ 37.2	\$ 35.8
Accumulated depreciation on property, plant, and equipment	\$ 256.0	\$ 226.7
<b>Inventories, net:</b>		
Raw materials and components	\$ 276.0	\$ 285.2
Work in process	135.9	135.0
Finished goods	177.0	172.4
Total inventories, net	<u>\$ 588.9</u>	<u>\$ 592.6</u>
<b>Other current liabilities:</b>		
Income tax payable	\$ 31.8	\$ 72.8
Other current liabilities	221.9	258.9
Total other current liabilities	<u>\$ 253.7</u>	<u>\$ 331.7</u>

The following table provides a reconciliation of cash and cash equivalents and restricted cash, reported within the Consolidated Balance Sheets that sum to the total of the same amounts shown in the Consolidated Statements of Cash Flows:

	March 31, 2024	March 31, 2023
Cash and cash equivalents	\$ 224.4	\$ 315.1
Short-term restricted cash included in other current assets	0.8	0.8
Total cash and cash equivalents and restricted cash shown in the Consolidated Statements of Cash Flows	<u>\$ 225.2</u>	<u>\$ 315.9</u>

*Supplier Finance Program*

The Company has agreements with third-party financial institutions to facilitate supply chain finance (“SCF”) programs. The SCF programs allow qualifying suppliers to sell their receivables, on an invoice level at the selection of the supplier, from the Company to the financial institutions and negotiate their outstanding receivable arrangements and associated fees directly with the financial institutions. Hillenbrand is not party to the agreements between the supplier and the financial institutions. The supplier invoices that have been confirmed as valid under the SCF programs require payment in full by the financial institutions to the supplier by the original maturity date of the invoice, or discounted payment at an earlier date as agreed upon with the supplier. The Company’s obligations to its suppliers, including amounts due and scheduled payment terms, are not impacted by a supplier’s participation in the SCF programs.

All outstanding amounts related to suppliers participating in the SCF programs are recorded upon confirmation with the third-party financial institutions in trade accounts payable in the Consolidated Balance Sheets, and associated payments are included in cash used in operating activities in the Consolidated Statements of Cash Flows. The Company’s outstanding obligations included in trade accounts payable as of March 31, 2024 and September 30, 2023, were \$28.9 and \$29.1, respectively.

*Trade Receivables Financing*

During the six months ended March 31, 2024, the Company executed an amendment of its trade receivables financing arrangement (as amended, the “Amended Arrangement”) with a financial institution. In accordance with ASC 869, *Transfers and Servicing*, this Amended Arrangement is deemed a true sale, as the Company retains no rights or interest and has no obligations with respect to the trade receivables. The Company had proceeds from the sale of trade receivables under the Amended Arrangement of \$66.4 and \$127.7, respectively, for the three and six months ended March 31, 2024 (\$0.0 for the three and six months ended March 31, 2023). As of March 31, 2024 and September 30, 2023, trade receivables in the amount

of \$28.8 and \$0.0, respectively, were sold to the financial institution and are not reflected in the trade receivables in the Consolidated Balance Sheets.

7. Leases

For the three and six months ended March 31, 2024 and 2023, the Company recognized \$8.1 and \$16.6, and \$8.1 and \$15.2 of operating lease expense, respectively, including short-term lease expense and variable lease costs, which were immaterial in all periods. The Company's finance leases were insignificant as of March 31, 2024 and September 30, 2023.

The following table presents supplemental Consolidated Balance Sheet information related to the Company's operating leases:

	March 31, 2024	September 30, 2023
Operating lease right-of-use assets, net	\$ 112.0	\$ 111.3
Other current liabilities	19.9	18.6
Operating lease liabilities	85.3	88.1
Total operating lease liabilities	<u>\$ 105.2</u>	<u>\$ 106.7</u>
Weighted-average remaining lease term (in years)	6.7	7.1
Weighted-average discount rate	4.0 %	3.8 %

As of March 31, 2024, the maturities of the Company's operating lease liabilities were as follows:

2024 (excluding the six months ended March 31, 2024)	\$ 12.4
2025	22.1
2026	18.1
2027	15.1
2028	13.5
Thereafter	37.7
Total lease payments	<u>118.9</u>
Less: imputed interest	(13.7)
Total present value of lease payments	<u>\$ 105.2</u>

Supplemental Consolidated Statements of Cash Flow information related to the Company's operating leases is as follows:

	Six Months Ended March 31,	
	2024	2023
Cash paid for amounts included in the measurement of operating lease liabilities	\$ 13.7	\$ 10.8
Operating lease right-of-use assets, net obtained in exchange for new operating lease liabilities	7.2	8.1
Operating leases acquired in acquisitions	3.0	15.0

8. Intangible Assets and Goodwill

**Intangible Assets**

Intangible assets are stated at the lower of cost or fair value. Intangible assets are amortized on a straight-line basis over periods ranging from three to 21 years, representing the period over which the Company expects to receive future economic benefits from these assets. The Company assesses the carrying value of indefinite-lived trade names annually, or more often if events or changes in circumstances indicate there may be an impairment.

The following table summarizes the carrying amounts and related accumulated amortization for intangible assets as of:

	March 31, 2024		September 30, 2023	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
<b>Finite-lived assets:</b>				
Customer relationships	\$ 1,294.8	\$ (331.4)	\$ 1,290.2	\$ (291.4)
Technology, including patents	190.6	(91.5)	192.3	(83.1)
Software	54.5	(35.9)	41.7	(31.7)
Trade names	50.7	(7.5)	41.9	(4.2)
	<u>1,590.6</u>	<u>(466.3)</u>	<u>1,566.1</u>	<u>(410.4)</u>
<b>Indefinite-lived assets:</b>				
Trade names	222.5	—	221.4	—
Total	<u>\$ 1,813.1</u>	<u>\$ (466.3)</u>	<u>\$ 1,787.5</u>	<u>\$ (410.4)</u>

Finite-lived intangible assets, net of \$717.2 and \$740.0 are included in the Advanced Process Solutions reportable operating segment at March 31, 2024 and September 30, 2023, respectively. Indefinite-lived intangible assets of \$110.4 and \$109.3 are included in the Advanced Process Solutions reportable operating segment at March 31, 2024 and September 30, 2023, respectively. The net change in intangible assets in the Advanced Process Solutions reportable operating segment during the six months ended March 31, 2024, was driven primarily by acquisition measurement period adjustments, amortization, and foreign currency adjustments. Finite-lived intangible assets, net of \$399.5 and \$412.9 are included in the Molding Technology Solutions reportable operating segment at March 31, 2024 and September 30, 2023, respectively. Indefinite-lived intangible assets of \$112.1 are included in the Molding Technology Solutions reportable operating segment at both March 31, 2024 and September 30, 2023. The net change in intangible assets in the Molding Technology Solutions reportable operating segment during the six months ended March 31, 2024, was driven primarily by amortization and foreign currency adjustments.

### **Goodwill**

Goodwill is not amortized but is subject to annual impairment tests. Goodwill has been assigned to reporting units within the reportable operating segments. The Company assesses the carrying value of goodwill annually, or more often if events or changes in circumstances indicate there may be impairment. Impairment testing is performed at a reporting unit level.

The following table summarizes the changes in the Company's goodwill, by reportable operating segment, for the six months ended March 31, 2024:

	Advanced Process Solutions	Molding Technology Solutions	Total
Balance as of September 30, 2023	\$ 1,394.9	\$ 633.2	\$ 2,028.1
Acquisition measurement period adjustments	1.8	—	1.8
Foreign currency adjustments	11.0	3.6	14.6
Balance as of March 31, 2024	<u>\$ 1,407.7</u>	<u>\$ 636.8</u>	<u>\$ 2,044.5</u>

During the three and six months ended March 31, 2024 and 2023, the Company did not observe any triggering events or substantive changes in circumstances requiring the need for an interim impairment assessment.

9. Financing Agreements

The following table summarizes Hillenbrand’s current and long-term debt as of:

	March 31, 2024	September 30, 2023
\$1,000 revolving credit facility (excluding outstanding letters of credit)	\$ 112.2	\$ 505.1
\$200 term loan	187.5	192.5
€185 term loan	194.5	195.0
\$500 senior unsecured notes <sup>(1)</sup>	494.1	—
\$400 senior unsecured notes <sup>(2)</sup>	398.6	398.0
\$375 senior unsecured notes <sup>(3)</sup>	373.2	372.9
\$350 senior unsecured notes <sup>(4)</sup>	346.9	346.6
Total debt	2,107.0	2,010.1
Less: current portion	20.0	19.7
Total long-term debt	\$ 2,087.0	\$ 1,990.4

(1) Includes unamortized debt issuance costs of \$5.9 at March 31, 2024.

(2) Includes unamortized debt issuance costs of \$1.4 and \$2.0 at March 31, 2024 and September 30, 2023, respectively.

(3) Includes unamortized debt issuance costs of \$1.6 and \$1.8 at March 31, 2024 and September 30, 2023, respectively.

(4) Includes unamortized debt issuance costs of \$3.1 and \$3.4 at March 31, 2024 and September 30, 2023, respectively.

***\$500.0 senior unsecured notes***

On February 14, 2024, the Company issued \$500.0 of senior unsecured notes due February 2029 (the “2024 Notes”). The 2024 Notes were issued at par value and bear interest at a fixed rate of 6.25% per year, payable semi-annually in arrears beginning August 2024. Deferred financing costs associated with the 2024 Notes of \$6.2 are being amortized to interest expense on a straight-line basis (which approximates the effective interest method) over the term of the 2024 Notes. The 2024 Notes are unsecured unsubordinated obligations of the Company and rank equally in right of payment with all other existing and future unsubordinated obligations.

Subject to certain limitations, in the event of a change of control repurchase event (as defined in the 2024 Notes Indenture), the Company will be required to make an offer to purchase the 2024 Notes at a price equal to 101% of the principal amount of the 2024 Notes, plus any accrued and unpaid interest to, but excluding, the date of repurchase. The Company may redeem the 2024 Notes at any time in whole, or from time to time in part, prior to February 15, 2026, at its option at the “make-whole” redemption price, as described in the 2024 Notes. The Company may also redeem the 2024 Notes at any time in whole, or from time to time in part, on or after February 15 of the relevant year listed, as follows: 2026 at a redemption price of 103.125%; 2027 at a redemption price of 101.5625%; and 2028 and thereafter at a redemption price of 100.000%. At any time prior to February 15, 2026, the Company may redeem up to 40% of the aggregate principal amount of the 2024 Notes with the proceeds of one or more Equity Offerings (as defined in the 2024 Notes Indenture) at a redemption price of 106.250% of the principal amount of the 2024 Notes being redeemed. In each of the above cases, the Company will also pay any accrued and unpaid interest to, but excluding, the applicable redemption date.

***Other borrowing activity***

As of March 31, 2024, the Company had \$19.5 in outstanding letters of credit issued and \$868.3 of borrowing capacity under the Facility, of which \$500.5 was immediately available based on the Company’s most restrictive covenant. The weighted-average interest rates on borrowings under the Facility were 6.02% and 5.91% for the three and six months ended March 31, 2024, respectively, and 3.12% and 2.53% for the three and six months ended March 31, 2023, respectively. The weighted average facility fee on the Facility was 0.23% and 0.21% for the three and six months ended March 31, 2024, respectively, and 0.20% and 0.16% for the three and six months ended March 31, 2023, respectively. The weighted-average interest rate on the \$200 term loan was 7.19% and 7.08% for the three and six months ended March 31, 2024, respectively, and 5.99% and 5.84% for the three and six months ended March 31, 2023, respectively. The weighted-average interest rate on the €85 term loan was 5.59% and 5.60% for the three and six months ended March 31, 2024, respectively. There were no borrowings on the €185 term loan for the three and six months ended March 31, 2023.

Remaining unamortized deferred financing costs related to the Facility, \$200 term loan and €185 term loan were \$5.2 in aggregate, as of March 31, 2024, and are being amortized to interest expense over the remaining term of these agreements.

In the normal course of business, the Company provides, primarily to certain customers, bank guarantees and other credit arrangements in support of performance, warranty, advance payment, and other contractual obligations. This form of trade finance is customary in the industry and, as a result, the Company maintains adequate capacity to provide the guarantees. As of March 31, 2024 and September 30, 2023, the Company had credit arrangements totaling \$588.7 and \$587.9, respectively, under which \$361.1 and \$326.9, respectively, were used for guarantees. These arrangements include the Company's Syndicated L/G Facility Agreement ("L/G Facility") and other ancillary credit facilities. Remaining unamortized deferred financing costs related to the L/G Facility were \$1.4 and \$1.6 as of March 31, 2024 and September 30, 2023, respectively, and are being amortized to interest expense over the remaining term of the agreement.

As of March 31, 2024, Hillenbrand was in compliance with all covenants contained in the foregoing agreements and credit instruments, and there were no events of default.

10. Retirement Benefits

**Defined Benefit Plans**

Components of net periodic pension (benefit) cost included in the Consolidated Statements of Operations were as follows:

	U.S. Pension Benefits		Non-U.S. Pension Benefits	
	Three Months Ended March 31,		Three Months Ended March 31,	
	2024	2023	2024	2023
Service costs	\$ —	\$ —	\$ 0.5	\$ 0.5
Interest costs	2.7	2.8	1.1	1.0
Expected return on plan assets	(2.8)	(3.4)	(0.4)	(0.2)
Amortization of net loss (gain)	—	0.1	(0.1)	(0.2)
Net periodic pension (benefit) cost	\$ (0.1)	\$ (0.5)	\$ 1.1	\$ 1.1

	U.S. Pension Benefits		Non-U.S. Pension Benefits	
	Six Months Ended March 31,		Six Months Ended March 31,	
	2024	2023	2024	2023
Service costs	\$ —	\$ —	\$ 1.0	\$ 1.0
Interest costs	4.7	5.6	2.2	1.9
Expected return on plan assets	(5.5)	(6.8)	(0.8)	(0.5)
Amortization of net loss (gain)	0.1	0.2	(0.3)	(0.4)
Settlement charge	8.3	—	—	—
Net periodic pension cost (benefit)	\$ 7.6	\$ (1.0)	\$ 2.1	\$ 2.0

On July 18, 2023, we announced an offer to provide former employees who are participants in the Company's U.S. defined benefit pension plan (the "Plan") the opportunity to elect a lump sum distribution of their earned Plan benefits. The Plan's fiduciaries made lump sum payments to electing eligible participants in December 2023, funded by the existing assets in the Plan. As a result, the Company recorded a non-cash settlement pre-tax charge of \$8.3 during the six months ended March 31, 2024.

In April 2024, the remaining assets of the Plan were used to purchase annuities to support the remaining obligation, resulting in the termination and liquidation of the Plan.

**Defined Contribution Plans**

Expenses related to the Company's defined contribution plans were \$2.5 and \$5.4 for the three and six months ended March 31, 2024, respectively, and \$2.5 and \$5.4 for the three and six months ended March 31, 2023, respectively.

11. Income Taxes

The effective tax rates for the three months ended March 31, 2024 and 2023 were 32.8% and 50.0%, respectively. The decrease in the effective tax rate was primarily driven by a decrease in the tax accrual on unrepatriated earnings, a favorable currency fluctuation affecting the valuation of certain deferred tax liabilities, and a non-recurring prior year tax, partially offset by a reduced discrete tax benefit for equity compensation as compared to the prior period.

The effective tax rates for the six months ended March 31, 2024 and 2023 were 33.6% and 34.2%, respectively. The decrease in the effective tax rate was primarily driven by a decrease in the tax accrual on unrepatriated earnings in the current period and a non-recurring prior year tax, partially offset by discrete tax benefits recognized in the prior period as a result of the approval of the incentive tax rate for certain operations located in China, and a reduced discrete tax benefit for equity compensation as compared to the prior period.

12. Earnings per share

The dilutive effects of performance-based stock awards were included in the computation of diluted earnings per share at the level the related performance criteria were met through the respective Consolidated Balance Sheet date. Potential dilutive effects, representing approximately 440,000 and 350,000 shares at March 31, 2024 and 2023, respectively, were excluded from the computation of diluted earnings per share as the related performance criteria were not yet met, although the Company expects to meet various levels of criteria in the future.

	Three Months Ended March 31,		Six Months Ended March 31,	
	2024	2023	2024	2023
Income from continuing operations	\$ 8.6	\$ 24.1	\$ 28.1	\$ 50.9
Less: Net income attributable to noncontrolling interests	2.5	0.8	4.5	3.1
Income from continuing operations attributable to Hillenbrand	\$ 6.1	\$ 23.3	\$ 23.6	\$ 47.8
Weighted-average shares outstanding (basic - in millions)	70.4	69.7	70.4	69.6
Effect of dilutive stock options and other unvested equity awards (in millions)	0.3	0.4	0.2	0.3
Weighted-average shares outstanding (diluted - in millions)	70.7	70.1	70.6	69.9
Basic earnings per share from continuing operations attributable to Hillenbrand	\$ 0.09	\$ 0.33	\$ 0.34	\$ 0.69
Diluted earnings per share from continuing operations attributable to Hillenbrand	\$ 0.09	\$ 0.33	\$ 0.34	\$ 0.68
Shares with anti-dilutive effect excluded from the computation of diluted earnings per share (in millions)	0.1	0.6	0.4	0.5

13. Accumulated Other Comprehensive Loss

The following tables summarize the changes in the accumulated balances for each component of accumulated other comprehensive loss:

	Pension and Postretirement	Currency Translation <sup>(1)</sup>	Net Unrealized (Loss) Gain on Derivative Instruments	Total Attributable to Hillenbrand, Inc.	Noncontrolling Interests	Total
Balance at September 30, 2023	\$ (34.5)	\$ (107.1)	\$ (5.5)	\$ (147.1)		
Other comprehensive (loss) income before reclassifications:						
Before tax amount	(0.1)	15.7	(0.3)	15.3	\$ (0.5)	\$ 14.8
Tax benefit	—	—	0.1	0.1	—	0.1
After tax amount	(0.1)	15.7	(0.2)	15.4	(0.5)	14.9
Amounts reclassified from accumulated other comprehensive loss <sup>(2)</sup>	6.1	—	1.1	7.2	—	7.2
Net current period other comprehensive income (loss)	6.0	15.7	0.9	22.6	\$ (0.5)	\$ 22.1
Balance at March 31, 2024	\$ (28.5)	\$ (91.4)	\$ (4.6)	\$ (124.5)		

<sup>(1)</sup> Includes gain and losses on intra-entity foreign currency transactions that are of a long-term investment nature.

<sup>(2)</sup> Amounts are net of tax.

	Pension and Postretirement	Currency Translation <sup>(1)</sup>	Net Unrealized (Loss) Gain on Derivative Instruments	Total Attributable to Hillenbrand, Inc.	Noncontrolling Interests	Total
Balance at September 30, 2022	\$ (32.8)	\$ (113.7)	\$ (9.1)	\$ (155.6)		
Other comprehensive income before reclassifications:						
Before tax amount	—	62.4	4.1	66.5	\$ —	\$ 66.5
Tax expense	—	—	(1.2)	(1.2)	—	(1.2)
After tax amount	—	62.4	2.9	65.3	—	65.3
Amounts reclassified from accumulated other comprehensive loss <sup>(2)</sup>	(1.5)	—	0.4	(1.1)	—	(1.1)
Net current period other comprehensive (loss) income	(1.5)	62.4	3.3	64.2	\$ —	\$ 64.2
Balance at March 31, 2023	\$ (34.3)	\$ (51.3)	\$ (5.8)	\$ (91.4)		

<sup>(1)</sup> Includes gains and losses on intra-foreign currency transactions that are of a long-term investment nature.

<sup>(2)</sup> Amounts are net of tax.



Reclassifications out of accumulated other comprehensive loss include:

	Three Months Ended March 31, 2024			
	Amortization of Pension and Postretirement <sup>(1)</sup>		Loss on Derivative Instruments	Total
	Net Gain Recognized	Prior Service Costs Recognized		
Affected Line in the Consolidated Statement of Operations:				
Operating expenses	\$ (0.1)	\$ —	\$ 0.5	\$ 0.4
Total before tax	\$ (0.1)	\$ —	\$ 0.5	0.4
Tax expense				(0.1)
Total reclassifications for the period, net of tax				\$ 0.3

	Six Months Ended March 31, 2024			
	Amortization of Pension and Postretirement <sup>(1)</sup>		(Gain) Loss on Derivative Instruments	Total
	Net Loss Recognized	Prior Service Costs Recognized		
Affected Line in the Consolidated Statement of Operations:				
Net revenue	\$ —	\$ —	\$ (0.1)	\$ (0.1)
Cost of goods sold	—	—	0.3	0.3
Operating expenses	8.1	—	1.0	9.1
Total before tax	\$ 8.1	\$ —	\$ 1.2	9.3
Tax expense				(2.1)
Total reclassifications for the period, net of tax				\$ 7.2

<sup>(1)</sup> These accumulated other comprehensive loss components are included in the computation of net periodic pension (benefit) cost (see Note 10).

	Three Months Ended March 31, 2023			
	Amortization of Pension and Postretirement <sup>(1)</sup>		(Gain) Loss on Derivative Instruments	Total
	Net Gain Recognized	Prior Service Costs Recognized		
Affected Line in the Consolidated Statement of Operations:				
Net revenue	\$ —	\$ —	\$ 0.1	\$ 0.1
Cost of goods sold	—	—	(0.9)	(0.9)
Operating expenses	(0.2)	—	0.5	0.3
Gain on divestiture of discontinued operations (net of income tax expense)	(1.4)	(0.1)	—	(1.5)
Total before tax	\$ (1.6)	\$ (0.1)	\$ (0.3)	(2.0)
Tax expense				0.8
Total reclassifications for the period, net of tax				\$ (1.2)

	Six Months Ended March 31, 2023			
	Amortization of Pension and Postretirement <sup>(1)</sup>		(Gain) Loss on Derivative Instruments	Total
	Net Gain Recognized	Prior Service Costs Recognized		
Affected Line in the Consolidated Statement of Operations:				
Cost of goods sold	—	—	(1.0)	(1.0)
Operating expenses	(0.3)	—	1.0	0.7
Gain on divestiture of discontinued operations (net of income tax expense)	(1.4)	(0.1)	—	(1.5)
Total before tax	\$ (1.7)	\$ (0.1)	\$ —	(1.8)
Tax expense				0.7
Total reclassifications for the period, net of tax				\$ (1.1)

<sup>(1)</sup> These accumulated other comprehensive loss components are included in the computation of net periodic pension (benefit) cost (see Note 10).

14. Share-Based Compensation

	Three Months Ended March 31,		Six Months Ended March 31,	
	2024	2023	2024	2023
Share-based compensation costs	\$ 4.7	\$ 4.5	\$ 9.9	\$ 9.1
Less impact of income taxes	1.1	1.0	2.3	2.1
Share-based compensation costs, net of tax	\$ 3.6	\$ 3.5	\$ 7.6	\$ 7.0

The Company has share-based compensation with long-term performance-based metrics that are contingent upon the Company's relative total shareholder return and the creation of shareholder value, as well as time-based awards. Relative total shareholder return is determined by comparing the Company's total shareholder return during a three-year period to the respective total shareholder returns of companies in a designated stock index. Creation of shareholder value is 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. For the performance-based awards contingent upon the creation of shareholder value, compensation expense is adjusted each quarter based upon actual results to date and any changes to forecasted information on each of the separate grants.

During the six months ended March 31, 2024, the Company made the following grants:

	Number of Units
Time-based stock awards	314,710
Performance-based stock awards (maximum that can be earned)	475,057

The Company's time-based stock awards and performance-based stock awards granted during the six months ended March 31, 2024 had weighted-average grant date fair values of \$39.26 and \$41.45, respectively. Included in the performance-based stock awards granted during the six months ended March 31, 2024 are 276,700 units whose payout level is based upon the Company's relative total shareholder return over the three-year measurement period, as described above. These units will be expensed on a straight-line basis over the measurement period and are not subsequently adjusted after the grant date.

#### 15. Commitments and Contingencies

From time to time, Hillenbrand is involved in claims, lawsuits, and government proceedings relating to its operations, including environmental, antitrust, patent infringement, business practices, commercial transactions, product and general liability, workers' compensation, auto liability, employment-related, and other matters. The ultimate outcome of any claims, lawsuits, and proceedings cannot be predicted with certainty. An estimated loss from these contingencies is recognized when the Company believes 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 these matters. If a loss is not considered probable and/or cannot be reasonably estimated, the Company is required to make a disclosure if there is at least a reasonable possibility that a significant loss may have been incurred. Legal fees associated with claims and lawsuits are generally expensed as incurred.

Claims covered by insurance have in most instances deductibles and self-funded retentions up to \$0.5 per occurrence or per claim, depending upon the type of coverage and policy period. For auto, workers' compensation, and general liability claims in the U.S., outside insurance companies and third-party claims administrators generally assist in establishing individual claim reserves. An independent outside actuary often provides estimates of ultimate projected losses, including incurred but not reported claims, which are used to establish reserves for losses. For all other types of claims, reserves are established when payment is considered probable and are based upon advice from internal and external counsel and historical settlement information for such claims.

The liabilities recorded represent the best estimate of costs that the Company will incur in relation to such exposures, but it is possible that actual costs will differ from those estimates.

At March 31, 2024 and September 30, 2023, the Company had \$11.2 and \$5.1, respectively, included in other current liabilities on the Consolidated Balance Sheets, related to a discrete commercial dispute stemming from a contract entered into with a Molding Technology Solutions' customer prior to the Company's acquisition of the Molding Technology Solutions reportable operating segment.

#### 16. Fair Value Measurements

Fair value is defined as the exit price, or the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants as of the measurement date. The authoritative guidance establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are from sources independent of the Company. Unobservable inputs reflect the Company's assumptions about the factors market participants would use in valuing the asset or liability, developed based upon the best information available in the circumstances. The categorization of financial assets and liabilities within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. The hierarchy is broken down into three levels:

- Level 1: Inputs are quoted prices in active markets for identical assets or liabilities.
- Level 2: Inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, and inputs (other than quoted prices) that are observable for the asset or liability, either directly or indirectly.
- Level 3: Inputs are unobservable for the asset or liability.

See the section below titled “Valuation techniques” for further discussion of how Hillenbrand determines fair value for certain assets and liabilities.

	Carrying Value at March 31, 2024	Fair Value at March 31, 2024 Using Inputs Considered as:		
		Level 1	Level 2	Level 3
<b>Assets:</b>				
Cash and cash equivalents	\$ 224.4	\$ 224.4	\$ —	\$ —
Restricted cash	0.8	0.8	—	—
Investments in rabbi trust	4.2	4.2	—	—
Derivative instruments	1.1	—	1.1	—
<b>Liabilities:</b>				
Facility	112.2	—	112.2	—
\$200 term loan	187.5	—	187.5	—
€185 term loan	194.5	—	194.5	—
\$350 senior unsecured notes	350.0	303.3	—	—
\$400 senior unsecured notes	400.0	399.5	—	—
\$375 senior unsecured notes	374.8	368.7	—	—
\$500 senior unsecured notes	500.0	504.4	—	—
Derivative instruments	1.1	—	1.1	—

	Carrying Value at September 30, 2023	Fair Value at September 30, 2023 Using Inputs Considered as:		
		Level 1	Level 2	Level 3
<b>Assets:</b>				
Cash and cash equivalents	\$ 242.9	\$ 242.9	\$ —	\$ —
Restricted cash	7.3	7.3	—	—
Investments in rabbi trust	3.3	3.3	—	—
Derivative instruments	1.5	—	1.5	—
<b>Liabilities:</b>				
Facility	505.1	—	505.1	—
\$200 term loan	192.5	—	192.5	—
€185 term loan	195.0	—	195.0	—
\$350 senior unsecured notes	350.0	281.6	—	—
\$400 senior unsecured notes	400.0	395.1	—	—
\$375 senior unsecured notes	374.7	355.0	—	—
Derivative instruments	1.7	—	1.7	—

**Valuation techniques**

- Cash and cash equivalents, restricted cash, and investments in rabbi trust are classified within Level 1 of the fair value hierarchy. Financial instruments classified as Level 1 are based on quoted market prices in active markets. The types of financial instruments the Company classifies within Level 1 include most bank deposits, money market securities, and publicly traded mutual funds. The Company does not adjust the quoted market price for such financial instruments.
- The Company estimates the fair value of foreign currency derivatives using industry accepted models. The significant Level 2 inputs used in the valuation of derivatives include spot rates, forward rates, and volatility. These inputs were obtained from pricing services, broker quotes, and other sources.

- The fair values of the Facility, \$200 term loan, and €185 term loan were estimated based on internally-developed models using current market interest rate data for similar issues, as there is no active market for the Facility, \$200 term loan, and €185 term loan, and therefore, are classified within Level 2 of the fair value hierarchy.
- The fair values of the \$350 senior unsecured notes, \$400 senior unsecured notes, \$375 senior unsecured notes, and \$500 senior unsecured notes were based on quoted prices in active markets and are classified within Level 1 of the fair value hierarchy. The Company does not adjust the quoted market prices for such financial instruments.

***Derivative instruments***

The Company has hedging programs in place to manage its currency exposures. The objectives of the Company's hedging programs are to mitigate exposures in gross margin and non-functional-currency-denominated assets and liabilities. Under these programs, the Company uses derivative financial instruments to manage the economic impact of fluctuations in currency exchange rates. These include foreign currency exchange forward contracts, which generally have terms up to 24 months. The aggregate notional value of derivatives was \$166.5 and \$164.6 at March 31, 2024 and September 30, 2023, respectively. The derivatives are recorded at fair value in other current assets and other current liabilities in the Consolidated Balance Sheets.

17. Segment and Geographical Information

As previously described, on February 1, 2023, the Company completed the divestiture of Batesville. The operating results and cash flows for Batesville have been classified as discontinued operations within the Consolidated Financial Statements for all periods presented.

Hillenbrand is now composed of two reportable operating segments: Advanced Process Solutions and Molding Technology Solutions. The Company's reportable operating segments maintain separate financial information for which results of operations are evaluated on a regular basis by the Company's chief operating decision maker in deciding how to allocate resources and in assessing performance.

The Company records the direct costs of business operations to the reportable operating segments, including stock-based compensation, asset impairments, restructuring activities, and business acquisition costs. Corporate provides management and administrative services to each reportable operating segment. These services include treasury management, human resources, legal, business development, information technology, tax compliance, global supply management, sustainability, and other public company support functions such as internal audit, investor relations, and financial reporting. With limited exception for certain professional services and back-office and technology costs, the Company does not allocate these types of corporate expenses to the reportable operating segments.

The following tables present financial information for the Company's reportable operating segments and significant geographical locations:

	Three Months Ended March 31,		Six Months Ended March 31,	
	2024	2023	2024	2023
<b>Net revenue</b>				
Advanced Process Solutions	\$ 559.2	\$ 430.5	\$ 1,127.5	\$ 843.3
Molding Technology Solutions	226.1	260.4	431.1	503.3
Total	<u>\$ 785.3</u>	<u>\$ 690.9</u>	<u>\$ 1,558.6</u>	<u>\$ 1,346.6</u>
<b>Adjusted EBITDA <sup>(1)</sup></b>				
Advanced Process Solutions	\$ 100.8	\$ 73.2	\$ 196.8	\$ 144.5
Molding Technology Solutions	33.6	47.5	65.7	90.6
Corporate	(11.8)	(12.1)	(25.8)	(25.2)
<b>Net revenue <sup>(2)</sup></b>				
United States	\$ 321.4	\$ 273.0	\$ 648.3	\$ 505.9
China	82.0	111.7	173.9	231.9
India	61.1	55.3	119.0	107.7
Germany	63.5	52.8	122.6	97.3
All other countries	257.3	198.1	494.8	403.8
Total	<u>\$ 785.3</u>	<u>\$ 690.9</u>	<u>\$ 1,558.6</u>	<u>\$ 1,346.6</u>

(1) Adjusted earnings before interest, income tax, depreciation, and amortization ("adjusted EBITDA") is a non-GAAP measure used by management to measure segment performance and make operating decisions.

(2) The Company attributes net revenue to a geography based upon the location of the end customer.

	March 31, 2024	September 30, 2023
<b>Total assets</b>		
Advanced Process Solutions	\$ 3,581.0	\$ 3,525.5
Molding Technology Solutions	1,856.2	1,883.0
Corporate	133.3	139.2
Total	<u>\$ 5,570.5</u>	<u>\$ 5,547.7</u>
<b>Tangible long-lived assets, net</b>		
United States	\$ 133.1	\$ 134.1
Germany	135.1	136.0
China	37.3	38.9
India	36.4	38.1
All other countries	99.5	84.9
Total	<u>\$ 441.4</u>	<u>\$ 432.0</u>

The following schedule reconciles reportable operating segment adjusted EBITDA to consolidated net income:

	Three Months Ended March 31,		Six Months Ended March 31,	
	2024	2023	2024	2023
<b>Adjusted EBITDA:</b>				
Advanced Process Solutions	\$ 100.8	\$ 73.2	\$ 196.8	\$ 144.5
Molding Technology Solutions	33.6	47.5	65.7	90.6
Corporate	(11.8)	(12.1)	(25.8)	(25.2)
<b>Add:</b>				
Income (loss) from discontinued operations (net of income tax expense)	—	439.4	(0.3)	460.4
<b>Less:</b>				
Interest expense, net	30.8	18.6	60.6	40.1
Income tax expense	4.2	24.1	14.2	26.4
Depreciation and amortization	41.2	31.0	80.0	62.0
Pension settlement charge	—	—	8.3	—
Business acquisition, divestiture, and integration costs	9.1	7.2	14.7	17.9
Inventory step-up (adjustment) charges	(0.9)	3.1	0.6	11.1
Restructuring and restructuring-related charges	23.5	0.5	24.1	1.5
Other non-recurring costs related to a discrete commercial dispute	6.1	—	6.1	—
Consolidated net income	\$ 8.6	\$ 463.5	\$ 27.8	\$ 511.3

#### 18. Restructuring

The following schedule details the restructuring charges by reportable operating segment and the classification of those charges in the Consolidated Statements of Operations.

	Three Months Ended March 31, 2024			Three Months Ended March 31, 2023		
	Cost of goods sold	Operating expenses	Total	Cost of goods sold	Operating expenses	Total
Advanced Process Solutions	\$ 0.3	\$ —	\$ 0.3	\$ (0.2)	\$ —	\$ (0.2)
Molding Technology Solutions	9.2	12.8	22.0	—	0.5	0.5
Corporate	—	0.1	0.1	—	—	—
Total	\$ 9.5	\$ 12.9	\$ 22.4	\$ (0.2)	\$ 0.5	\$ 0.3

  

	Six Months Ended March 31, 2024			Six Months Ended March 31, 2023		
	Cost of goods sold	Operating expenses	Total	Cost of goods sold	Operating expenses	Total
Advanced Process Solutions	\$ 0.3	\$ 0.2	\$ 0.5	\$ (0.1)	\$ 1.0	\$ 0.9
Molding Technology Solutions	9.2	12.8	22.0	—	0.5	0.5
Corporate	—	0.1	0.1	—	—	—
Total	\$ 9.5	\$ 13.1	\$ 22.6	\$ (0.1)	\$ 1.5	\$ 1.4

During the three months ended March 31, 2024, the Company announced a program (the “Program”) to reduce costs and improve operational efficiency within the Molding Technology Solutions reportable operating segment. The Company expects that substantially all of these costs, which are primarily severance costs, will result in future cash expenditures, and we anticipate the majority of these cash expenditures to be paid in the next twelve months. The total liability related to the Program was \$20.3 as of March 31, 2024.

**Item 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

*(financial amounts in millions, except share and per share data, throughout Management’s Discussion and Analysis)*

**FORWARD-LOOKING STATEMENTS AND FACTORS THAT MAY AFFECT FUTURE RESULTS**

Throughout this Quarterly Report on Form 10-Q, we make a number of “forward-looking statements,” that are within the meaning of Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended, and the U.S. Private Securities Litigation Reform Act of 1995, and that are intended to be covered by the safe harbor provided under these sections. As the words imply, these are statements about future sales, earnings, cash flow, results of operations, uses of cash, financings, share repurchases, ability to meet deleveraging goals, and other measures of financial performance or potential future plans or events, strategies, objectives, beliefs, prospects, assumptions, expectations, and projected costs or savings or transactions of the Company that might or might not happen in the future, as contrasted with historical information. Forward-looking statements are based on assumptions that we believe are reasonable, but by their very nature are subject to a wide range of risks. If our assumptions prove inaccurate or unknown risks and uncertainties materialize, actual results could vary materially from Hillenbrand’s expectations and projections.

Accordingly, in this Quarterly Report on Form 10-Q, we may say something like:

*“We expect that future net revenue associated with our reportable operating segments 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	project	position	future
become	pursue	estimate	will	forecast	continue	could	anticipate	remain	likely
target	encourage	promise	improve	progress	potential	should	impact	strategy	

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

**Here is the key point: Forward-looking statements are not guarantees of future performance or events, and actual results or events could differ materially from those set forth in any forward-looking statements.**

Any number of factors, many of which are beyond our control, could cause our performance to differ significantly from what is described in the forward-looking statements. These factors include, but are not limited to: global market and economic conditions, including those related to the continued volatility in the financial markets; the risk of business disruptions associated with information technology, cyber-attacks, or catastrophic losses affecting infrastructure; increasing competition for highly skilled and talented workers, as well as labor shortages; closures or slowdowns and changes in labor costs and labor difficulties; uncertainty related to environmental regulation and industry standards, as well as physical risks of climate change; uncertainty related to environmental regulation, including the Securities and Exchange Commission’s (“SEC”) final climate rules and litigation regarding its enforceability; increased costs, poor quality, or unavailability of raw materials or certain outsourced services and supply chain disruptions; economic and financial conditions, including volatility in interest and exchange rates, commodity and equity prices and the value of financial assets; uncertainty in U.S. global trade policy; our level of international sales and operations; the impact of incurring significant amounts of indebtedness and any inability of the Company to respond to changes in its business or make future desirable acquisitions; the ability of the Company to comply with financial or other covenants in debt agreements; negative effects of acquisitions, including the Schenck Process Food and Performance Materials (“FPM”) business and Linxis Group SAS (“Linxis”) acquisitions, on the Company’s business, financial condition, results of operations and financial performance (including the ability of the Company to maintain relationships with its customers, suppliers, and others with whom it does business); the possibility that the anticipated benefits from acquisitions including the FPM and Linxis acquisitions cannot be realized by the Company in full or at all, or may take longer to realize than expected; risks that the integrations of FPM or Linxis or other acquired businesses disrupt current operations or pose potential difficulties in employee retention or otherwise affect financial or operating results; competition in the industries in which we operate, including on price; cyclical demand for industrial capital goods; the ability to recognize the benefits of any acquisition or divestiture, including potential synergies and cost savings or the failure of the Company or any acquired company to achieve its



plans and objectives generally; impairment charges to goodwill and other identifiable intangible assets; impacts of decreases in demand or changes in technological advances, laws, or regulation on the net revenues that we derive from the plastics industry; changes in food consumption patterns due to dietary trends, or economic conditions, or other reasons; our reliance upon employees, agents, and business partners to comply with laws in many countries and jurisdictions; the impact to the Company's effective tax rate of changes in the mix of earnings or in tax laws and certain other tax-related matters; exposure to tax uncertainties and audits; involvement in claims, lawsuits, and governmental proceedings related to operations; uncertainty in the U.S. political and regulatory environment; adverse foreign currency fluctuations; labor disruptions; and the effect of certain provisions of the Company's governing documents and Indiana law that could decrease the trading price of the Company's common stock. Shareholders, potential investors, and other readers are urged to consider these risks and uncertainties in evaluating forward-looking statements and are cautioned not to place undue reliance on the forward-looking statements. For a more in-depth discussion of certain factors that could cause actual results to differ from those contained in forward-looking statements, see the discussion under the heading "Risk Factors" in Part I, Item 1A of Hillenbrand's Form 10-K for the year ended September 30, 2023, filed with the SEC on November 15, 2023, as well as other risks and uncertainties detailed in our other filings with the SEC from time to time. Any forward-looking statement made in this Quarterly Report on Form 10-Q is based only on information currently available to us and speaks only as of the date on which it is made. We undertake no obligation to publicly update or revise any forward-looking statement, whether written or oral, made from time to time, whether as a result of new information, future developments or otherwise.

## **EXECUTIVE OVERVIEW**

Hillenbrand ([www.Hillenbrand.com](http://www.Hillenbrand.com)) is a global industrial company that provides highly-engineered processing equipment and solutions to customers around the world. Our portfolio is composed of leading industrial brands that serve large, attractive end markets, including durable plastics, food, and recycling. Guided by our Purpose, Shape What Matters for Tomorrow™, we pursue excellence, collaboration, and innovation to shape solutions that best serve our people, our customers, and our communities. Customers choose Hillenbrand due to our reputation for designing, manufacturing, and servicing highly-engineered, mission-critical equipment and solutions that meet their unique and complex processing requirements.

During the three and six months ended March 31, 2024 and 2023, the following operational decisions and economic developments had an impact on our current and future cash flows, results of operations, and consolidated financial position.

### ***Supply Chain and Inflation***

While global supply chains have recently suffered from various headwinds, those supporting our products have generally remained intact, providing access to sufficient inventory of the key materials needed for manufacturing. We have experienced significant delays in certain raw materials and components, but we have largely been able to mitigate the impact of these delays on our consolidated results of operations. We continue to identify and qualify alternative sources to mitigate risk associated with single or sole sources of supply, and we may choose to purchase certain materials in safety stock where we have supply chain continuity concerns. We have experienced and we may continue to experience disruptions to our supply chains, which could materially affect our ability to timely manufacture and distribute our products and could also have a significant impact on the Company's consolidated net revenue, results of operations, and cash flows during fiscal 2024 and beyond.

We also experienced material and supply chain inflation during the three and six months ended March 31, 2024, as further discussed in our Operations Review. The material and supply chain inflation experienced during the three and six months ended March 31, 2024 was less significant than the impact during the three and six months ended March 31, 2023. Pricing actions and supply chain productivity initiatives have mitigated and are expected to continue to mitigate some of these inflationary pressures, but we may not be successful in fully offsetting these incremental costs, which could have a significant impact on the Company's consolidated results of operations and cash flows during fiscal 2024 and beyond.

For additional information regarding supply chain, inflation, and other risks, see Item 1A. Risk Factors in our Annual Report on Form 10-K for the year ended September 30, 2023, as filed with the SEC on November 15, 2023.

### ***Divestiture***

On February 1, 2023, the Company completed the divestiture of its historical Batesville reportable operating segment ("Batesville") to BL Memorial Partners, LLC, a Delaware limited liability company owned by funds affiliated with LongRange Capital, L.P., for \$761.5, including an \$11.5 subordinated note.

This divestiture represented a strategic shift in Hillenbrand's business and qualified as a discontinued operation. Unless otherwise noted, amounts presented in Management's Discussion and Analysis are for continuing operations only.

The Company is providing, and will continue to provide, certain transition services to Batesville for applicable fees that are not material to the Company's financial position. The transition services vary in duration depending upon the type of service provided.

### **Acquisitions**

#### *Acquisition of Schenck Process Food and Performance Materials Business*

On September 1, 2023, the Company completed the acquisition of the Schenck Process Food and Performance Materials ("FPM") business, a portfolio company of Blackstone, for total aggregate consideration of \$763.3, including cash acquired, and is subject to certain customary post-closing adjustments, using available borrowings under its multi-currency revolving credit facility (the "Facility"). Headquartered in Kansas City, Missouri, FPM specializes in the design, manufacturing, and service of feeding, filtration, baking, and material handling technologies and systems that are highly complementary to the equipment and solutions offered in our Advanced Process Solutions reportable operating segment. The results of FPM since the date of acquisition are included in the Advanced Process Solutions reportable operating segment.

#### *Acquisition of Peerless Food Equipment*

On December 1, 2022, the Company completed the acquisition of the Peerless Food Equipment division ("Peerless") of Illinois Tool Works Inc. for a purchase price of \$59.2, net of certain customary post-closing adjustments and including cash acquired, using available borrowings under the Facility. Headquartered in Sidney, Ohio, Peerless is a premier supplier of industrial food processing equipment. The results of Peerless since the date of acquisition are included in the Advanced Process Solutions reportable operating segment.

#### *Acquisition of LINXIS Group SAS*

On October 6, 2022, the Company completed the acquisition of LINXIS Group SAS ("Linxis") from IBERIS INTERNATIONAL S.À R.L, an affiliate of IK Partners, and additional sellers (collectively, the "Sellers"). As a result of the acquisition, the Company acquired from the Sellers all of the issued and outstanding securities of Linxis, and Linxis became a wholly owned subsidiary of the Company for total aggregate consideration of \$590.8 (€596.2) in cash, reflecting an approximate enterprise value of \$566.8 (€572.0) plus cash acquired at closing. The Company used available borrowings under the Facility to fund this acquisition. The results of Linxis since the date of acquisition are included in the Advanced Process Solutions reportable operating segment.

### **Restructuring**

During the three months ended March 31, 2024, the Company announced a Program to reduce costs and improve operational efficiency within the Molding Technology Solutions reportable operating segment. The Company expects that substantially all of these costs, which are primarily severance costs, will result in future cash expenditures, and we anticipate the majority of these cash expenditures to be paid in the next twelve months.

### **OPERATING PERFORMANCE MEASURES**

The following discussion compares our results for the three and six months ended March 31, 2024, to the same periods in 2023. The Company's fiscal year ends on September 30. Unless otherwise stated, references to years refer to fiscal years. We begin the discussion at a consolidated level and then provide separate detail about Advanced Process Solutions, Molding Technology Solutions, and Corporate. These results of operations are prepared in accordance with GAAP.

We also provide certain non-GAAP operating performance measures. These non-GAAP financial measures are referred to as "adjusted" measures and primarily exclude expenses associated with business acquisition, divestiture, and integration costs, restructuring and restructuring-related charges, pension settlement charges, and inventory step-up charges. The related income tax impact for all of these items is also excluded. The measures also exclude certain tax items related to acquisitions and divestitures, the revaluation of deferred tax balances resulting from fluctuations in currency exchange rates and non-routine changes in tax rates for certain foreign jurisdictions, and the impact that the Molding Technology Solutions reportable operating segment's loss carryforward attributes have on tax provisions related to the imposition of tax on Global Intangible Low-Taxed Income ("GILTI") earned by certain foreign subsidiaries, the Foreign Derived Intangible Income Deduction ("FDII"), and the Base Erosion and Anti-Abuse Tax ("BEAT").

Non-GAAP information is provided as a supplement to, not as a substitute for, or as superior to, measures of financial performance prepared in accordance with GAAP.

We use this non-GAAP information internally to measure operating segment performance and 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 items such as the above excluded items. We believe this information provides a higher degree of transparency.

An important non-GAAP financial measure that we use is adjusted earnings before interest, income tax, depreciation, and amortization (“adjusted EBITDA”). A part of Hillenbrand’s strategy is to selectively acquire companies that we believe can benefit from the Hillenbrand Operating Model (“HOM”) to spur faster and more profitable growth. Given that strategy, it is a natural consequence to incur related expenses, such as amortization from acquired intangible assets and additional interest expense from debt-funded acquisitions. Accordingly, we use adjusted EBITDA, among other measures, to monitor our business performance. Adjusted EBITDA is not a recognized term under GAAP and therefore does not purport to be an alternative to net income. Further, the Company’s measure of adjusted EBITDA may not be comparable to similarly titled measures of other companies.

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

We expect that future net revenue associated with our reportable operating segments will be influenced by order backlog because of the lead time involved in fulfilling engineered-to-order equipment for customers. Although backlog can be an indicator of future net revenue, it does not include projects and parts orders that are booked and shipped within the same quarter. The timing of order placement, size, extent of customization, and customer delivery dates can create fluctuations in backlog and net revenue. Net revenue attributable to backlog may also be affected by foreign exchange fluctuations for orders denominated in currencies other than U.S. dollars.

We calculate the foreign currency impact on net revenue, gross profit, operating expenses, backlog, consolidated net income, and adjusted EBITDA in order to better measure the comparability of results between periods. We calculate the foreign currency impact by translating current year results at prior year foreign exchange rates. This information is provided because exchange rates can distort the underlying change in these metrics, either positively or negatively. The cost structure for Corporate is generally not significantly impacted by the fluctuation in foreign exchange rates, and we do not disclose the foreign currency impact in the Operations Review section below where the impact is not significant.

See page 41 for a reconciliation of adjusted EBITDA to consolidated net income, the most directly comparable GAAP measure. We use other non-GAAP financial measures in certain other instances and include information reconciling such non-GAAP financial measures to the respective most directly comparable GAAP measures. Given that backlog is an operational measure and that the Company’s methodology for calculating backlog does not meet the definition of a non-GAAP financial measure, as that term is defined by the SEC, a quantitative reconciliation is not required or provided.

#### **CRITICAL ACCOUNTING ESTIMATES**

For the three and six months ended March 31, 2024, there were no significant changes to our critical accounting estimates as outlined in our Annual Report on Form 10-K for the year ended September 30, 2023, filed with the SEC on November 15, 2023.

**OPERATIONS REVIEW — CONSOLIDATED**

	Three Months Ended March 31,				Six Months Ended March 31,			
	2024		2023		2024		2023	
	Amount	% of Net Revenue	Amount	% of Net Revenue	Amount	% of Net Revenue	Amount	% of Net Revenue
Net revenue	\$ 785.3	100.0	\$ 690.9	100.0	\$ 1,558.6	100.0	\$ 1,346.6	100.0
Gross profit	250.7	31.9	226.1	32.7	501.7	32.2	433.7	32.2
Operating expenses	181.4	23.1	139.5	20.2	339.3	21.8	277.4	20.6
Amortization expense	25.7		19.8		51.2		38.9	
Pension settlement charge	—		—		8.3		—	
Interest expense, net	30.8		18.6		60.6		40.1	
Income tax expense	4.2		24.1		14.2		26.4	

**Three Months Ended March 31, 2024 Compared to Three Months Ended March 31, 2023**

**Net revenue** increased \$94.4 (14%).

- Advanced Process Solutions net revenue increased \$128.7 (30%), primarily driven by the impact of the FPM acquisition (\$126.0), higher aftermarket parts and service net revenue, and favorable pricing, partially offset by a decrease in capital equipment volumes. Foreign currency impact improved net revenue by 1%.
- Molding Technology Solutions net revenue decreased \$34.3 (13%), primarily driven by a decrease in injection molding equipment volumes.

**Gross profit** increased \$24.6 (11%) and gross profit margin decreased 80 basis points to 31.9%. On an adjusted basis, which excluded business acquisition, divestiture, and integration costs, restructuring and restructuring-related charges and inventory step-up charges, adjusted gross profit increased \$33.1 (15%), and adjusted gross profit margin improved 30 basis points to 33.4%.

- Advanced Process Solutions gross profit increased \$48.6 (32%), primarily driven by the impact of the FPM acquisition and favorable pricing, partially offset by cost inflation and lower volume. Foreign currency impact improved gross profit by 1%. Gross profit margin improved 70 basis points to 35.6%, primarily driven by favorable pricing, partially offset by cost inflation.

Advanced Process Solutions gross profit included inventory step-up (adjustments) charges related to acquisitions ((\$0.9) in 2024 and \$3.1 in 2023). Excluding this non-recurring item, adjusted gross profit increased \$45.0 (29%) and adjusted gross profit margin decreased 20 basis points to 35.4%.

- Molding Technology Solutions gross profit decreased \$24.0 (32%) primarily driven by a decrease in volume, an increase in restructuring and restructuring-related charges, and cost inflation, partially offset by favorable product mix. Gross profit margin decreased 610 basis points to 23.0%, primarily driven by an increase in restructuring and restructuring-related charges and cost inflation, partially offset by favorable product mix.

Molding Technology Solutions gross profit included restructuring and restructuring-related charges of \$12.0 in 2024. Excluding these charges, adjusted gross profit decreased \$12.0 (16%) and adjusted gross profit margin decreased 80 basis points to 28.3%.

**Operating expenses** increased \$41.9 (30%), primarily driven by acquisitions, cost inflation, higher restructuring and restructuring-related charges, an increase in business acquisition, divestiture, and integration costs, and other non-recurring costs in the current year related to a discrete commercial dispute stemming from a customer contract entered into prior to the acquisition of the Molding Technology Solutions reportable operating segment, partially offset by cost containment and lower variable compensation. Foreign currency impact increased operating expenses by 1%. Operating expenses as a percentage of net revenue increased by 290 basis points to 23.1%. Operating expenses included the following items:

	Three Months Ended March 31,			
	2024		2023	
Business acquisition, divestiture, and integration costs	\$	9.1	\$	7.3
Restructuring and restructuring-related charges		13.3		0.6
Other non-recurring costs related to a discrete commercial dispute		6.1		—

On an adjusted basis, which excludes business acquisition, divestiture, and integration costs, restructuring and restructuring-related charges, and other non-recurring costs related to the discrete commercial dispute described above, operating expenses increased \$21.3 (16%). Adjusted operating expenses as a percentage of net revenue increased 50 basis points to 19.5%.

**Amortization expense** increased \$5.9 (30%) primarily driven by the impact of acquisitions in the prior fiscal year.

**Interest expense, net** increased \$12.2 (66%), primarily due to increased borrowing for acquisitions in the prior fiscal year. See Note 9 of Part I, Item 1 of this Quarterly Report on Form 10-Q for a discussion of borrowing activity.

**The effective tax rate** was 32.8% in 2024 compared to 50.0% in 2023. The decrease in the effective tax rate was primarily driven by a decrease in the tax accrual on unrepatriated earnings, a favorable currency fluctuation affecting the valuation of certain deferred tax liabilities, and a non-recurring prior year tax, partially offset by a reduced discrete tax benefit for equity compensation as compared to the prior period.

The adjusted effective tax rate was 28.1% in 2024 compared to 33.5% in 2023. The adjusted effective income tax rate excluded the tax effect of the following items:

- The revaluation of deferred tax balances as a result of foreign currency fluctuations (\$0.4 benefit in 2024 and \$0.1 expense in 2023)
- Change in the assertion with regard to foreign unremitted earnings as a result of the divestiture of Batesville (\$4.8 expense in 2023)
- The impact of tax loss carryforwards within the Molding Technology Solutions reportable operating segment on the net domestic taxes on foreign earnings (\$0.2 expense in 2023)
- Adjustments previously discussed within this section, such as business acquisition, divestiture, and integration costs (\$17.4 benefit in 2024 and \$7.4 benefit in 2023).

**Six Months Ended March 31, 2024 Compared to Six Months Ended March 31, 2023**

**Net revenue** increased \$212.0 (16%), which included favorable foreign currency impact (1%).

- Advanced Process Solutions net revenue increased \$284.2 (34%), primarily driven by the impact of acquisitions (\$275.5), favorable pricing, and higher aftermarket parts and service net revenue, partially offset by a decrease in capital equipment volumes. Foreign currency impact improved net revenue by 2%.
- Molding Technology Solutions net revenue decreased \$72.2 (14%), primarily driven by a decrease in injection molding equipment volumes.

**Gross profit** increased \$68.0 (16%), which included favorable foreign currency impact (1%). Gross profit margin was flat compared to the prior year at 32.2%. On an adjusted basis, which excluded inventory step-up charges related to acquisitions and restructuring and restructuring-related charges, adjusted gross profit increased \$69.7 (16%), and adjusted gross profit margin was flat compared to the prior year at 33.0%.

- Advanced Process Solutions gross profit increased \$104.1 (37%), primarily driven by the impact of acquisitions, favorable pricing, and favorable product mix, partially offset by cost inflation and a decrease in volume. Foreign currency impact improved gross profit by 2%. Gross profit margin improved 70 basis points to 34.5% primarily driven by favorable pricing and favorable product mix, partially offset by cost inflation.

Advanced Process Solutions gross profit included inventory step-up charges related to acquisitions (\$0.6 in 2024 and \$11.1 in 2023) Excluding these charges, adjusted gross profit increased \$93.7 (32%) and adjusted gross profit margin decreased 60 basis points to 34.6%.

- Molding Technology Solutions gross profit decreased \$36.1 (24%), primarily driven by a decrease in volume, an increase in restructuring and restructuring-related charges, and cost inflation, partially offset by favorable product mix.

Gross profit margin decreased 350 basis points to 26.0%, primarily driven by restructuring and restructuring-related charges and cost inflation, partially offset by favorable product mix.

Molding Technology Solutions gross profit included restructuring and restructuring-related charges of \$12.1 in 2024. Excluding these charges, adjusted gross profit decreased \$24.1 (16%) and adjusted gross profit margin decreased 70 basis points to 28.8%.

**Operating expenses** increased \$61.9 (22%), primarily driven by acquisitions, cost inflation, an increase in restructuring and restructuring-related charges, and other non-recurring costs in the current year related to a discrete commercial dispute stemming from a customer contract entered into prior to the acquisition of the Molding Technology Solutions reportable operating segment, partially offset by lower variable compensation and a decrease in business acquisition, divestiture, and integration costs. Foreign currency impact decreased operating expenses by 2%. Operating expenses as a percentage of net revenue increased by 120 basis points to 21.8%. Operating expenses included the following items:

	Six Months Ended March 31,	
	2024	2023
Business acquisition, divestiture, and integration costs	\$ 14.7	\$ 17.6
Restructuring and restructuring-related charges	13.8	1.6
Other non-recurring costs related to a discrete commercial dispute	6.1	—

On an adjusted basis, which excludes business acquisition, divestiture, and integration costs, restructuring and restructuring-related charges, and other non-recurring costs related to the discrete commercial dispute described above, operating expenses increased \$46.5 (18%). Adjusted operating expenses as a percentage of net revenue increased 30 basis points to 19.5%.

**Amortization expense** increased \$12.3 (32%) primarily driven by the impact of acquisitions.

**Pension settlement charge** increased \$8.3 due to lump-sum payments made from the Company's U.S. pension plan to former employees who elected to receive such payments. See Note 10 of Part I, Item 1 of this Quarterly Report on Form 10-Q for further information on this pension settlement charge.

**Interest expense, net** increased \$20.5 (51%), primarily due to increased borrowing for acquisitions. See Note 9 of Part I, Item 1 of this Quarterly Report on Form 10-Q for a discussion of borrowing activity.

**The effective tax rate** was 33.6% in 2024 compared to 34.2% in 2023. The decrease in the effective tax rate was primarily driven by a decrease in the tax accrual on unrepatriated earnings in the current period and a non-recurring prior year tax, partially offset by discrete tax benefits recognized in the prior period as a result of the approval of the incentive tax rate for certain operations located in China, and a reduced discrete tax benefit for equity compensation as compared to the prior period.

The adjusted effective tax rate was 28.3% in 2024 compared to 29.6% in 2023. The adjusted effective income tax rate primarily excluded the tax effect of the following items:

- The impact of Milacron tax loss carryforwards on net domestic taxes on foreign earnings (\$0.1 benefit in 2023)
- Change in the assertion with regard to foreign unremitted earnings as a result of the divestiture of Batesville (\$4.8 expense in 2023)
- The revaluation of deferred and current tax balances as a result of an incentive tax rate awarded to certain China operations (\$3.4 benefit in 2023)
- The revaluation of deferred tax balances as a result of foreign currency fluctuations (\$0.1 benefit in 2024 and \$0.3 expense in 2023)
- Adjustments previously discussed within this section (\$28.0 benefit in 2024 and \$18.6 benefit in 2023).

**OPERATIONS REVIEW — Advanced Process Solutions**

	Three Months Ended March 31,				Six Months Ended March 31,			
	2024		2023		2024		2023	
	Amount	% of Net Revenue	Amount	% of Net Revenue	Amount	% of Net Revenue	Amount	% of Net Revenue
Net revenue	\$ 559.2	100.0	\$ 430.5	100.0	\$ 1,127.5	100.0	\$ 843.3	100.0
Gross profit	198.8	35.6	150.2	34.9	389.5	34.5	285.4	33.8
Operating expenses	108.1	19.3	86.1	20.0	215.2	19.1	165.9	19.7
Amortization expense	16.9		10.9		33.6		21.2	

**Three Months Ended March 31, 2024 Compared to Three Months Ended March 31, 2023**

**Net revenue** increased \$128.7 (30%) primarily driven by the impact of the FPM acquisition (\$126.0), higher aftermarket parts and service net revenue, and favorable pricing, partially offset by a decrease in capital equipment volumes. Foreign currency impact improved net revenue by 1%.

Order backlog increased \$203.7 (12%) from \$1,673.4 at March 31, 2023, to \$1,877.1 at March 31, 2024. The increase in order backlog was primarily driven by acquisitions, partially offset by the execution of existing backlog. Foreign currency impact decreased order backlog by 1%. On a sequential basis, order backlog decreased \$38.7 (2%) to \$1,877.1 at March 31, 2024, down from \$1,915.8 at December 31, 2023, primarily due to the impact of foreign currency.

**Gross profit** increased \$48.6 (32%) primarily driven by the impact of the FPM acquisition and favorable pricing, partially offset by cost inflation and lower volume. Foreign currency impact improved gross profit by 1%. Gross profit margin improved 70 basis points to 35.6%, primarily driven by favorable pricing, partially offset by cost inflation.

Advanced Process Solutions gross profit included inventory step-up (adjustments) charges related to acquisitions ((\$0.9) in 2024 and \$3.1 in 2023). Excluding these non-recurring items, adjusted gross profit increased \$45.0 (29%) and adjusted gross profit margin decreased 20 basis points to 35.4%.

**Operating expenses** increased \$22.0 (26%) primarily driven by the impact of acquisitions, cost inflation, and an increase in business acquisition, divestiture, and integration costs, partially offset by lower variable compensation. Foreign currency impact increased operating expenses by 1%. Operating expenses as a percentage of net revenue improved 70 basis points to 19.3%.

Operating expenses included business acquisition, divestiture, and integration costs (\$3.1 in 2024 and \$1.6 in 2023). Excluding these items, adjusted operating expenses increased \$20.6 (24%) and adjusted operating expenses as a percentage of net revenue improved 80 basis points to 18.8%.

**Amortization expense** increased \$6.0 (55%) primarily driven by the impact of acquisitions in the prior fiscal year.

**Six Months Ended March 31, 2024 Compared to Six Months Ended March 31, 2023**

**Net revenue** increased \$284.2 (34%), primarily driven by the impact of acquisitions (\$275.5), favorable pricing, and higher aftermarket parts and service net revenue, partially offset by a decrease in capital equipment volumes. Foreign currency impact improved net revenue by 2%.

**Gross profit** increased \$104.1 (37%), primarily driven by the impact of acquisitions, favorable pricing, and favorable product mix, partially offset by cost inflation and a decrease in volume. Foreign currency impact improved gross profit by 2%. Gross profit margin improved 70 basis points to 34.5%, primarily driven by favorable pricing and favorable product mix, partially offset by cost inflation.

Advanced Process Solutions gross profit included inventory step-up charges related to acquisitions (\$0.6 in 2024 and \$11.1 in 2023). Excluding these charges, adjusted gross profit increased \$93.7 (32%) and adjusted gross profit margin decreased 60 basis points to 34.6%.

**Operating expenses** increased \$49.3 (30%), primarily due to the impact of acquisitions and cost inflation, partially offset by lower variable compensation. Foreign currency impact increased operating expenses by 2%. Operating expenses as a percentage of net revenue improved 60 basis points to 19.1%.

Operating expenses included business acquisition, divestiture, and integration costs (\$6.6 in 2024 and \$3.1 in 2023) and restructuring and restructuring-related charges (\$0.4 in 2024 and \$0.9 in 2023). Excluding these items, adjusted operating expenses increased \$46.4 (29%) and adjusted operating expenses as a percentage of net revenue improved 70 basis points to 18.5%.

**Amortization expense** increased \$12.4 (59%) primarily driven by the impact of acquisitions in the prior fiscal year.

**OPERATIONS REVIEW — Molding Technology Solutions**

	Three Months Ended March 31,				Six Months Ended March 31,			
	2024		2023		2024		2023	
	Amount	% of Net Revenue	Amount	% of Net Revenue	Amount	% of Net Revenue	Amount	% of Net Revenue
Net revenue	\$ 226.1	100.0	\$ 260.4	100.0	\$ 431.1	100.0	\$ 503.3	100.0
Gross profit	51.9	23.0	75.9	29.1	112.2	26.0	148.3	29.5
Operating expenses	54.9	24.3	35.0	13.4	89.1	20.7	72.3	14.4
Amortization expense	8.8		8.9		17.6		17.7	

**Three Months Ended March 31, 2024 Compared to Three Months Ended March 31, 2023**

**Net revenue** decreased \$34.3 (13%), primarily driven by a decrease in injection molding equipment volumes.

Order backlog decreased \$68.4 (23%) from \$298.2 at March 31, 2023, to \$229.8 at March 31, 2024. The decrease in order backlog was primarily driven by the execution of existing backlog. On a sequential basis, order backlog decreased \$1.8 (1%) to \$229.8 at March 31, 2024, down from \$231.6 at December 31, 2023.

**Gross profit** decreased \$24.0 (32%) primarily driven by a decrease in volume, an increase in restructuring and restructuring-related charges, and cost inflation, partially offset by favorable product mix. Gross profit margin decreased 610 basis points to 23.0%, primarily driven by an increase in restructuring and restructuring-related charges and cost inflation, partially offset by favorable product mix.

Molding Technology Solutions gross profit included restructuring and restructuring-related charges of \$12.0 in 2024. Excluding these charges, adjusted gross profit decreased \$12.0 (16%) and adjusted gross profit margin decreased 80 basis points to 28.3%.

**Operating expenses** increased \$19.9 (57%), primarily driven by an increase in restructuring and restructuring-related charges and other non-recurring costs in the current year related to a discrete commercial dispute stemming from a customer contract entered into prior to the acquisition of the Molding Technology Solutions reportable operating segment, partially offset by cost containment actions. Operating expense as a percentage of net revenue increased 1,090 basis points to 24.3%.

Operating expenses included restructuring and restructuring-related charges (\$13.2 in 2024 and \$0.5 in 2023) and other non-recurring costs related to the discrete commercial dispute described above of \$6.1 in 2024. Excluding these charges, adjusted operating expenses increased \$1.2 (4%) and adjusted operating expenses as a percentage of net revenue increased 250 basis points to 15.7%.

**Six Months Ended March 31, 2024 Compared to Six Months Ended March 31, 2023**

**Net revenue** decreased \$72.2 (14%), primarily driven by a decrease in injection molding equipment volumes.

**Gross profit** decreased \$36.1 (24%), primarily driven by a decrease in volume, an increase in restructuring and restructuring-related charges, and cost inflation, partially offset by favorable product mix. Gross profit margin decreased 350 basis points to 26.0%, primarily driven by restructuring and restructuring-related charges and cost inflation, partially offset by favorable product mix.



Molding Technology Solutions gross profit included restructuring and restructuring-related charges of \$12.1 in 2024. Excluding these charges, adjusted gross profit decreased \$24.1 (16%) and adjusted gross profit margin decreased 70 basis points to 28.8%.

**Operating expenses** increased \$16.8 (23%), primarily driven by an increase in restructuring and restructuring-related charges, other non-recurring costs in the current year related to a discrete commercial dispute stemming from a customer contract entered into prior to the acquisition of the Molding Technology Solutions reportable operating segment, and cost inflation, partially offset by a decrease in variable compensation and cost containment actions. Foreign currency impact increased operating expenses by 1%. Operating expense as a percentage of net revenue increased 630 basis points to 20.7%.

Operating expenses included business acquisition, divestiture, and integration costs of \$1.4 in 2023, restructuring and restructuring related charges (\$13.3 in 2024 and \$0.6 in 2023), and other non-recurring costs related to the discrete commercial dispute described above of \$6.1 in 2024. Excluding these items, adjusted operating expenses decreased \$0.5 (1%) and adjusted operating expenses as a percentage of net revenue increased 230 basis points to 16.2%.

## **REVIEW OF CORPORATE EXPENSES**

	<b>Three Months Ended March 31,</b>				<b>Six Months Ended March 31,</b>			
	<b>2024</b>		<b>2023</b>		<b>2024</b>		<b>2023</b>	
	<b>Amount</b>	<b>% of Net Revenue</b>	<b>Amount</b>	<b>% of Net Revenue</b>	<b>Amount</b>	<b>% of Net Revenue</b>	<b>Amount</b>	<b>% of Net Revenue</b>
Core operating expenses	\$ 12.3	1.6	\$ 12.7	1.8	\$ 26.8	1.7	\$ 26.1	1.9
Business acquisition, divestiture, and integration costs	6.0	0.8	5.7	0.8	8.1	0.5	13.1	1.0
Restructuring and restructuring-related charges	0.1	—	—	—	0.1	—	—	—
Operating expenses	\$ 18.4	2.4	\$ 18.4	2.6	\$ 35.0	2.2	\$ 39.2	2.9

Corporate operating expenses include the cost of providing management and administrative services to each reportable operating segment. These services include treasury management, human resources, legal, business development, information technology, tax compliance, procurement, sustainability, and other public company support functions such as internal audit, investor relations, and financial reporting. Corporate operating expenses also include costs related to business acquisition, divestiture, and integration, which we incur as a result of our strategy to grow through selective acquisitions. Core operating expenses primarily represent corporate operating expenses excluding costs related to business acquisition, divestiture, and integration costs and restructuring and restructuring-related charges.

Business acquisition, divestiture, and integration costs include legal, tax, accounting, and other advisory fees and due diligence costs associated with investigating opportunities (including acquisitions and divestitures) and integrating completed acquisitions (including severance).

### ***Three Months Ended March 31, 2024 Compared to Three Months Ended March 31, 2023***

Operating expenses were flat compared to the prior year. Cost inflation in the current year was offset by cost containment actions. These expenses as a percentage of net revenue were 2.4%, an improvement of 20 basis points from the prior year.

Core operating expenses decreased \$0.4 (3%), primarily driven by cost containment actions, partially offset by cost inflation. These expenses as a percentage of net revenue were 1.6%, an improvement of 20 basis points from the prior year.

### ***Six Months Ended March 31, 2024 Compared to Six Months Ended March 31, 2023***

Operating expenses decreased \$4.2 (11%), primarily due to a decrease in business acquisition, divestiture, and integrations costs. These expenses as a percentage of net revenue were 2.2%, an improvement of 70 basis points from the prior year.

Core operating expenses increased \$0.7 (3%). These expenses as a percentage of net revenue were 1.7%, an improvement of 20 basis points from the prior year.

## NON-GAAP OPERATING PERFORMANCE MEASURES

The following is a reconciliation from consolidated net income, the most directly comparable GAAP operating performance measure, to our non-GAAP adjusted EBITDA from continuing operations.

	Three Months Ended March 31,		Six Months Ended March 31,	
	2024	2023	2024	2023
Consolidated net income	\$ 8.6	\$ 463.5	\$ 27.8	\$ 511.3
Interest expense, net	30.8	18.6	60.6	40.1
Income tax expense	4.2	24.1	14.2	26.4
Depreciation and amortization	41.2	31.0	80.0	62.0
Consolidated EBITDA	84.8	537.2	182.6	639.8
(Income) loss from discontinued operations (net of income tax expense)	—	(439.4)	0.3	(460.4)
Pension settlement charge <sup>(1)</sup>	—	—	8.3	—
Business acquisition, divestiture, and integration costs <sup>(2)</sup>	9.1	7.2	14.7	17.9
Inventory step-up (adjustment) charges	(0.9)	3.1	0.6	11.1
Restructuring and restructuring-related charges <sup>(3)</sup>	23.5	0.5	24.1	1.5
Other non-recurring costs related to a discrete commercial dispute	6.1	—	6.1	—
Adjusted EBITDA from continuing operations	\$ 122.6	\$ 108.6	\$ 236.7	\$ 209.9

<sup>(1)</sup> The pension settlement charge during the six months ended March 31, 2024 was due to lump-sum payments made from the Company's U.S. pension plan to former employees who elected to receive such payments.

<sup>(2)</sup> Business acquisition, divestiture, and integration costs during the three and six months ended March 31, 2024, primarily included costs associated with the integration of recent acquisitions. Business acquisition, divestiture, and integration costs during the three and six months ended March 31, 2023, primarily included professional fees related to acquisitions and costs associated with the integration of recent acquisitions.

<sup>(3)</sup> Restructuring and restructuring-related charges primarily included severance costs during the three and six months ended March 31, 2024 and 2023.

### Three Months Ended March 31, 2024 Compared to Three Months Ended March 31, 2023

Consolidated net income decreased \$454.9 (98%) for the three months ended March 31, 2024, compared to the same period in fiscal 2023. The decrease was primarily driven by a decrease in total income from discontinued operations, an increase in restructuring and restructuring-related charges, cost inflation, lower volume, an increase in interest expense, depreciation and amortization, and other non-recurring costs in the current year related to a discrete commercial dispute stemming from a customer contract entered into prior to the acquisition of the Molding Technology Solutions reportable operating segment, partially offset by the impact of acquisitions, lower income taxes, favorable pricing, and cost containment.

Consolidated adjusted EBITDA from continuing operations increased \$14.0 (13%) for the three months ended March 31, 2024, compared to the same period in fiscal 2023. The increase was primarily driven by the impact of acquisitions, favorable pricing, and cost containment, partially offset by cost inflation and lower volume.

### Six Months Ended March 31, 2024 Compared to Six Months Ended March 31, 2023

Consolidated net income decreased \$483.5 (95%) for the six months ended March 31, 2024, compared to the same period in 2023. The decrease was primarily driven by the increase in total income from discontinued operations, cost inflation, an increase in restructuring and restructuring-related charges, lower volume, an increase in interest expense, depreciation and amortization, and other non-recurring costs related to the discrete commercial dispute described above, partially offset by the impact of acquisitions, lower income taxes, favorable pricing, cost containment and favorable product mix.

Consolidated adjusted EBITDA from continuing operations increased \$26.8 (13%) for the six months ended March 31, 2024, compared to the same period in 2023. The increase was primarily driven by the impact of acquisitions, favorable pricing, cost containment, and favorable product mix, partially offset by cost inflation and lower volume.

## **LIQUIDITY AND CAPITAL RESOURCES**

In this section, we discuss our ability to access cash to meet business needs. We discuss how we see cash flow being affected for the next twelve months and how we intend to use it. We describe actual results in generating and using cash by comparing the first six months of 2024 to the same period last year. Finally, we identify other significant matters that could affect liquidity on an ongoing basis.

### **Ability to Access Cash**

Our debt financing has historically included revolving credit facilities, term loans, and long-term notes as part of our overall financing strategy. We regularly review and adjust the mix of fixed-rate and variable-rate debt within our capital structure in order to achieve a target range based on our financing strategy.

We have taken proactive measures to maintain financial flexibility within the landscape of various uncertainties. We believe the Company ended the quarter with and continues to have sufficient liquidity to operate in the current business environment.

As of March 31, 2024, we had \$868.3 of borrowing capacity under the Facility, of which \$500.5 was immediately available based on our most restrictive covenant. The available borrowing capacity reflects a reduction of \$19.5 for outstanding letters of credit issued under the Facility. The Company may request an increase of up to \$600.0 in the total borrowing capacity under the Facility, subject to approval of the lenders.

In the normal course of business, operating companies within our reportable operating segments provide to certain customers bank guarantees and other credit arrangements in support of performance, warranty, advance payment, and other contractual obligations. This form of trade finance is customary in the industry and, as a result, we maintain adequate capacity to provide the guarantees. As of March 31, 2024, we had guarantee arrangements totaling \$588.7, under which \$361.1 was used for guarantees. These arrangements include the Amended L/G Facility Agreement under which unsecured letters of credit, bank guarantees, or other surety bonds may be issued. The Company may request an increase to the total capacity under the Amended L/G Facility Agreement by an additional €100.0, subject to approval of the lenders.

We have significant operations outside the U.S. We continue to assert that the basis differences in the majority of our foreign subsidiaries continue to be permanently reinvested outside of the U.S. We have recorded tax liabilities associated with distribution taxes on expected distributions of available cash and current earnings. The Company has made, and intends to continue to make, substantial investments in our businesses in foreign jurisdictions to support the ongoing development and growth of our international operations. As of March 31, 2024, we had a transition tax liability of \$11.2 pursuant to the 2017 Tax Cuts and Jobs Act (the "Tax Act"). The cash at our foreign subsidiaries, including U.S. subsidiaries participating in non-U.S. cash pooling arrangements, totaled \$185.1 at March 31, 2024. We continue to actively evaluate our global capital deployment and cash needs.

### **12-month Outlook**

The Company is required to pay a transition tax on unremitted earnings of its foreign subsidiaries, resulting in an estimated liability of \$11.2 recorded as of March 31, 2024. The transition tax liability is expected to be paid over the next two years.

On December 2, 2021, our Board of Directors authorized a new share repurchase program of up to \$300.0, which replaced the previous \$200.0 share repurchase program. The repurchase program has no expiration date but may be terminated by the Board of Directors at any time. We had approximately \$125.0 remaining for share repurchases under the existing authorization at March 31, 2024.

Our anticipated contribution to our defined benefit pension plans in fiscal 2024 is \$10.9, of which \$4.1 was made during the six months ended March 31, 2024. We will continue to monitor plan funding levels, performance of the assets within the plans, and overall economic activity, and we may make additional discretionary funding decisions based on the net impact of the above factors.

We currently expect to pay quarterly cash dividends of approximately \$15.6 based on our outstanding common stock at March 31, 2024. We increased our quarterly dividend in 2024 to \$0.2225 per common share from \$0.2200 per common share paid in 2023.

We believe existing cash and cash equivalents, cash flows from operations, borrowings under existing arrangements, and the issuance of debt will be sufficient to fund our operating activities and cash commitments for investing and financing activities. Based on these factors, we believe our current liquidity position is sufficient and will continue to meet all of our financial commitments in the current business environment.

### **Cash Flows**

	Six Months Ended March 31,	
	2024	2023
Cash flows (used in) provided by:		
Operating activities from continuing operations	\$ (20.8)	\$ 44.7
Investing activities from continuing operations	(27.9)	38.5
Financing activities from continuing operations	46.2	5.4
Net cash flows from discontinued operations	(23.3)	(3.4)
Effect of exchange rates on cash and cash equivalents	0.8	(6.9)
Net cash flows	<u>\$ (25.0)</u>	<u>\$ 78.3</u>

### **Operating Activities**

Operating activities from continuing operations used \$20.8 of cash during the six months ended March 31, 2024, and provided \$44.7 of cash during the six months ended March 31, 2023, an \$65.5 increase. The increase in operating cash flow used in continuing operations was primarily due to unfavorable timing of working capital requirements.

Working capital requirements for our reportable operating segments fluctuate and may continue to fluctuate in the future due primarily to the type of product and geography of customer projects in process at any point in time. Working capital needs are lower when advance payments from customers are more heavily weighted toward the beginning of the project. Conversely, working capital needs are higher when a larger portion of the cash is to be received in later stages of manufacturing.

### **Investing Activities**

The \$66.4 decrease in net cash flows from investing activities from continuing operations during the six months ended March 31, 2024, was primarily due to the proceeds received on the divestiture of Batesville, partially offset by the acquisitions of Linxis and Peerless, in the prior year.

### **Financing Activities**

Cash provided by financing activities from continuing operations was largely impacted by net borrowing activity. Our general practice is to use available cash to pay down debt unless it is needed for an acquisition. Cash provided by financing activities from continuing operations during the six months ended March 31, 2024 was \$46.2, primarily due to the proceeds from the \$500.0 2024 Notes, partially offset by net repayments on the Facility of \$399.9 and payment of dividends on common stock. Cash provided by financing activities from continuing operations for the six months ended March 31, 2023 was \$5.4, primarily due to net borrowings on the Facility of \$57.8 and the \$200.0 draw on the term loan commitment, partially offset by repayment of the Series A Notes and payment of dividends on common stock.

We returned \$31.2 to shareholders during the six months ended March 31, 2024 in the form of quarterly dividends. We increased our quarterly dividend in fiscal 2024 to \$0.2225 per common share from \$0.2200 per common share paid during fiscal 2023.

## Summarized Financial Information for Guarantors and the Issuer of Guaranteed Securities

Summarized financial information of Hillenbrand (the “Parent”) and our subsidiaries that are guarantors of our senior unsecured notes (the “Guarantor Subsidiaries”) is shown below on a combined basis as the “Obligor Group.” The Company’s senior unsecured notes are guaranteed by certain of our wholly-owned domestic subsidiaries and rank equally in right of payment with all of our existing and financial information of the Obligor Group. All intercompany balances and transactions between the Parent and Guarantor Subsidiaries have been eliminated and all information excludes subsidiaries that are not issuers or guarantors of our senior unsecured notes, including earnings from and investments in these entities.

	<u>March 31, 2024</u>	<u>September 30, 2023</u>
<b>Combined Balance Sheets Information:</b>		
Current assets <sup>(1)</sup>	\$ 3,711.5	\$ 2,710.8
Non-current assets	5,722.7	3,533.3
Current liabilities	1,178.0	985.1
Non-current liabilities	1,930.2	1,583.5
		<u>Six Months Ended March 31, 2024</u>
<b>Combined Statements of Operations Information:</b>		
Net revenue <sup>(2)</sup>	\$	386.4
Gross profit		104.6
Consolidated net income from continuing operations attributable to Obligor		83.1
Total loss from discontinued operations (net of income tax expense) attributable to Obligor		(0.3)
Net income attributable to Obligor		82.8

<sup>(1)</sup> Current assets include intercompany receivables from non-guarantors of \$2,784.3 as of March 31, 2024 and \$2,070.6 as of September 30, 2023.

<sup>(2)</sup> Net revenue includes intercompany sales with non-guarantors of \$5.1 for the six months ended March 31, 2024.

## Recently Adopted and Issued Accounting Standards

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

## Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

A full discussion of quantitative and qualitative disclosures about market risk may be found in Item 7A of our 2023 Form 10-K for the year ended September 30, 2023, filed with the SEC on November 15, 2023. There have been no material changes in this information since the filing of our 2023 Form 10-K.

## 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”), 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) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Based upon that evaluation, the Certifying Officers concluded that our disclosure controls and procedures as of the end of the period covered by this report are effective.

In the ordinary course of business, we review our system of internal control over financial reporting and update our systems and processes to improve such controls and increase efficiency, while ensuring that we maintain an effective internal control environment. Changes may include such activities as implementing new, more efficient systems, automating manual processes, and updating existing systems.

There have been no changes in internal control over financial reporting identified in the evaluation for the quarter ended March 31, 2024, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting, as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act.

## **PART II — OTHER INFORMATION**

### **Item 1. LEGAL PROCEEDINGS**

Information pertaining to legal proceedings can be found in Note 15 to the Consolidated Financial Statements included in Part I, Item 1 of this Form 10-Q.

### **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, 2023, filed with the SEC on November 15, 2023.

### **Item 5. OTHER INFORMATION**

(a) Effective April 26, 2024, the Company's Board of Directors approved amendments to its Amended and Restated Code of By-Laws following the regular review of corporate governance matters performed by the Board's Nominating / Corporate Governance Committee. Among other things, these By-Law amendments address the SEC's recent adoption of universal proxy rules and related requirements, including to provide that a shareholder nomination will be deemed null and void if the nominating shareholder fails to comply with the universal proxy rules, require a shareholder to provide evidence of compliance with the universal proxy rules, limit the number of directors a shareholder may nominate to the number of directors to be elected at the applicable meeting, and address the color of proxy cards reserved for use by the Board. The By-Law amendments also include other technical, conforming, and clarifying changes.

The complete text of the Company's By-Laws, as well as a marked copy of the By-Laws illustrating the changes made, are attached hereto as Exhibits 3.2 and 3.2(a). The foregoing description is a summary only, does not purport to be complete, and is qualified in its entirety by reference to the complete text of the By-Laws, which is attached as Exhibit 3.2 and incorporated herein by reference.

#### (c) Rule 10b5-1 Trading Plans

During the three months ended March 31, 2024, no director or officer of the Company adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K.

### **Item 6. EXHIBITS**

The exhibits filed with this report are listed below. 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.

<a href="#">Exhibit 3.1</a>	Restated and Amended Articles of Incorporation of Hillenbrand, Inc., effective as of February 13, 2020 (Incorporated by reference to Exhibit 3.1 to Current Report on Form 8-K filed February 14, 2020)
<a href="#">Exhibit 3.2</a>	* Amended and Restated Code of By-Laws of Hillenbrand, Inc., effective as of April 26, 2024
<a href="#">Exhibit 3.2(a)</a>	* Amended and Restated Code of By-Laws of Hillenbrand, Inc., effective as of April 26, 2024 (redline version)
<a href="#">Exhibit 4.2</a>	Supplemental Indenture No. 11, dated as of February 14, 2024, by and among Hillenbrand, Inc., the subsidiary guarantors party thereto and U.S. Bank Trust Company, National Association (Incorporated by reference to Exhibit 4.2 to Current Report on Form 8-K filed February 14, 2024)
<a href="#">Exhibit 4.3</a>	Form of Hillenbrand Inc.'s 6.2500% Senior Notes due 2029 (included in Exhibit 4.2)
<a href="#">Exhibit 22</a>	List of Guarantor Subsidiaries of Hillenbrand, Inc. (Incorporated by reference to Exhibit 22 to Quarterly Report on Form 10-Q filed February 5, 2024)
<a href="#">Exhibit 31.1</a>	* Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
<a href="#">Exhibit 31.2</a>	* Certification of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
<a href="#">Exhibit 32.1</a>	* 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
<a href="#">Exhibit 32.2</a>	* 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	The following financial statements from the Company's Quarterly Report on Form 10-Q for the quarter ended December 31, 2023, formatted in Inline XBRL: (i) Consolidated Statements of Operations, (ii) Consolidated Statements of Comprehensive Income, (iii) Consolidated Balance Sheets, (iv) Consolidated Statements of Cash Flows, (v) Consolidated Statements of Shareholders' Equity, and (vi) Notes to Consolidated Financial Statements, tagged as blocks of text and including detailed tags.
Exhibit 104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

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\* Filed herewith.

**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: April 30, 2024

BY: /s/ Robert M. VanHimbergen  
Robert M. VanHimbergen  
Senior Vice President and Chief Financial Officer

Date: April 30, 2024

BY: /s/ Megan A. Walke  
Megan A. Walke  
Vice President and Chief Accounting Officer



## CERTIFICATIONS

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

I, Kimberly K. Ryan, 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 flows 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 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: April 30, 2024

/s/ Kimberly K. Ryan

Kimberly K. Ryan  
President and Chief Executive Officer

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## CERTIFICATIONS

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

I, Robert M. VanHimbergen, 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 flows 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 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: April 30, 2024

/s/ Robert M. VanHimbergen

Robert M. VanHimbergen

Senior Vice President and Chief Financial Officer

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AMENDED AND RESTATED CODE OF BY-LAWS OF HILLENBRAND, INC.  
(as adopted by the Board of Directors effective on April 26, 2024)

ARTICLE 1. Definition of Certain Terms

Section 1.01 Corporation. The term “Corporation,” as used in this Code of By-laws, shall mean and refer to Hillenbrand, Inc., a corporation duly organized and existing under and pursuant to the provisions of The Indiana Business Corporation Law, as amended.

Section 1.02 Common Stock; Preferred Stock. The term “Common Stock,” as used in this Code of By-laws, shall mean and refer to the shares of Common Stock, without par value, which the Corporation is authorized to issue under and pursuant to the provisions of the articles of incorporation of the Corporation. The term “Preferred Stock,” as used in this Code of By-laws, shall mean and refer to the shares of Preferred Stock, without par value, which the Corporation is authorized to issue under and pursuant to the provisions of the articles of incorporation of the Corporation.

Section 1.03 Shareholder. The term “shareholder,” as used in this Code of By-laws, shall mean and refer to a person in whose name shares of Common Stock or Preferred Stock are registered in the records of the Corporation.

Section 1.04 Board of Directors. The term “Board of Directors,” as used in this Code of By-laws, shall mean and refer to the board of directors of the Corporation. The term “Director,” as used in this Code of By-laws, shall mean and refer to a director of the Corporation.

Section 1.05 Officers. The terms “President,” “Chief Executive Officer,” “Chief Financial Officer,” “Vice President,” “Executive Vice President,” “Senior Vice President,” “Secretary,” “Assistant Secretary,” “Treasurer” and “Assistant Treasurer,” as used in this Code of By-laws, shall mean and refer, respectively, to the individuals holding those offices of the Corporation in their capacities as such.

Section 1.06 Act. The term “Act,” as used in this Code of By-laws, shall mean and refer to The Indiana Business Corporation Law, as now in force or hereafter amended.

Section 1.07 Principal Office. References in this Code of By-laws to the Principal Office of the Corporation are to the Corporation’s “principal office,” as such term is defined in the Act.

ARTICLE 2. Shares of the Corporation

Section 2.01 Certificated and Uncertificated Shares; Form of Certificates. Shares of the Corporation may but need not be represented by certificates. The Board of Directors may authorize the issue of some or all of the shares of any or all classes or series of shares of the Corporation without certificates. Certificates representing shares of the Corporation shall be in such form as is prescribed by law and approved by the Board of Directors.

Section 2.02 Transfer of Shares. Shares of the Corporation shall be transferable in the manner prescribed by applicable law and in this Code of By-laws. Transfer of shares of the Corporation shall be made only on the share transfer books of the Corporation and, in the case of certificated shares, only by the person named in the certificate or by such person’s attorney

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lawfully constituted in writing and upon the surrender to the Corporation or its transfer agent of the certificate for such shares, properly endorsed for transfer, and upon payment of all necessary transfer taxes; or, in the case of uncertificated shares, upon receipt of proper transfer instructions from the registered owner of such shares or by such person's attorney lawfully constituted in writing and upon payment of all necessary transfer taxes and compliance with appropriate procedures for transferring shares in uncertificated form; provided, however, that such surrender and endorsement, compliance, or payment of taxes shall not be required in any case in which the officers of the Corporation shall determine to waive such requirement. With respect to certificated shares of the Corporation, every certificate exchanged, returned, or surrendered to the Corporation shall be marked "Cancelled," with the date of cancellation, by the Secretary or an Assistant Secretary or the Corporation's transfer agent. No transfer of shares of the Corporation shall be valid as against the Corporation for any purpose until it shall have been entered in the share transfer books of the Corporation.

Section 2.03 Lost, Destroyed or Stolen Share Certificates. The Board of Directors or the Secretary may direct a new share certificate or uncertificated shares to be issued in place of any share certificate theretofore issued by the Corporation alleged to have been lost, stolen, or destroyed upon the making of an affidavit of that fact by the owner of the allegedly lost, stolen, or destroyed certificate. When authorizing such issue of a new share certificate or uncertificated shares, the Board of Directors or the Secretary may, in its discretion and as a condition precedent to the issuance thereof, require the owner of the lost, stolen, or destroyed certificate, or the owner's legal representative, to give the Corporation a bond sufficient to indemnify it against any claim that may be made against the Corporation with respect to the share certificate alleged to have been lost, stolen, or destroyed or the issuance of such new share certificate or uncertificated shares..

Section 2.04 Transfer Agents and Registrars. The Board of Directors may appoint, or authorize any officer or officers to appoint, one or more transfer agents, one or more registrars, and one or more agents to act in the dual capacity of transfer agent and registrar with respect to the shares of the Corporation.

### ARTICLE 3. The Shareholders

Section 3.01 Annual Meeting. The annual meeting of shareholders shall be held on such date and at such time as may be designated from time to time by the Board of Directors for the purposes of electing individuals to the Board of Directors in accordance with Section 4.03, acting upon such other questions or matters as are proposed to be submitted to a vote at the meeting and acting upon such further questions or matters as may properly come before the meeting. The annual meeting shall be called by the Board of Directors.

Section 3.02 Special Meeting. A special meeting of shareholders may be called at any time by the Board of Directors or by the President and shall be called by the Board of Directors, the President, or the Secretary if there is delivered to the Secretary a written demand for a special meeting signed by shareholders holding not less than one-fourth (1/4) of the voting power of all of the shares of the Corporation entitled to vote on the business for which the meeting is being called (determined as of the date upon which such demand is received by the Secretary), which written demand sets forth a concise statement of the questions or matters proposed to be submitted to a vote at the meeting. At any special meeting of shareholders, only business within

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the purpose or purposes described in the notice of such meeting given in accordance with Section 3.05 may be conducted.

Section 3.03 Place of Meetings. Meetings of the shareholders may be held at the Principal Office of the Corporation or any other place, within or without the State of Indiana, or may be held solely by remote communication, in each case as determined by the Board of Directors.

Section 3.04 Record Date. For the purpose of determining the shareholders entitled to notice of, or to vote at, any meeting of shareholders, for the purpose of determining the shareholders entitled to receive payment of any dividend or other distribution, or in order to make a determination of the shareholders for any other corporate purpose, the Board of Directors may fix in advance a date as the record date for that determination of the shareholders, that date, in any case, to be not more than seventy (70) days and, in case of a meeting of shareholders, not less than ten (10) days, before the date upon which the particular action, requiring that determination of the shareholders, is to be taken. If no record date is fixed by the Board of Directors for the determination of the shareholders entitled to notice of, or to vote at, a meeting of shareholders, then the date ten (10) days before the date of the meeting shall be the record date for the meeting. If no record date is fixed by the Board of Directors for the determination of the shareholders entitled to receive payment of a dividend or other distribution, then the date upon which the resolution of the Board of Directors declaring the dividend or other distribution is adopted shall be the record date for the determination of the shareholders. When a determination of the shareholders entitled to notice of, or to vote at, a meeting of shareholders has been made, the determination shall apply to any adjournment of the meeting, except as otherwise required by law. If no record date is fixed by the Board of Directors for the determination of the shareholders entitled to demand a special meeting pursuant to Section 3.02, the record date for determining shareholders entitled to demand a special meeting pursuant to Section 3.02 is the date the written demand contemplated by Section 3.02 is received by the Secretary. The shareholders upon any record date shall be the shareholders as of the close of business on that record date.

Section 3.05 Notice of Meetings. Not less than ten (10) days and not more than sixty (60) days before the date of each annual or special meeting of shareholders, the Corporation shall notify in writing (which may include electronic transmission) the shareholders entitled to notice of or to vote at such meeting of the date, time, and place, if such meeting will be located at a place, of such meeting and the means of remote communication, if any, by which shareholders may be considered present in person and vote at such meeting. If such meeting is a special meeting or if otherwise required under the Act or the Corporation's articles of incorporation, the notice of such meeting shall include a description of the purpose or purposes for which such meeting is called.

Notice of a meeting of shareholders pursuant to this Section 3.05 may be communicated (1) in person; (2) by telegraph, teletype, or other form of wire or wireless communication; (3) by first class, certified, or registered United States mail, postage prepaid or by private carrier service, fees prepaid or billed to the sender; (4) if the shares to which such notice relates are of a class of securities that is registered under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the notice and the related proxy or information statement required under the Exchange Act are available to the public, without cost or password, through the Corporation's Internet web site not fewer than thirty (30) days before such meeting, by any class

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or form of mail through the United States Postal Service, postage prepaid; (5) electronically; or (6) in any other manner permitted by the Act.

A shareholder may at any time waive notice of a meeting of shareholders if the waiver is in writing and is delivered to the Corporation for inclusion in the minutes or filing with the Corporation's corporate records. A shareholder's attendance at a meeting, or participation by remote communication in a meeting in accordance with this Code of By-laws, whether in person or by proxy, (a) waives objection to lack of notice or defective notice of such meeting, unless such shareholder or such shareholder's proxy at the beginning of such meeting objects to holding such meeting or transacting business at such meeting and (b) waives objection to consideration of a particular matter at such meeting that is not within the purpose or purposes described in the meeting notice, unless such shareholder or such shareholder's proxy objects to considering the matter when it is presented. Each shareholder that has, in the manner above provided, waived notice or objection to notice of a shareholders' meeting shall be conclusively presumed to have been given due notice of such meeting, including the purpose or purposes thereof.

If an annual or special shareholders' meeting is adjourned to a different date, time, or place, notice need not be given of the new date, time, or place, if any, if the new date, time, or place and the means of remote communication, if any, by which shareholders may be deemed to be present in person and vote at the adjourned meeting are announced at such meeting before adjournment, unless a new record date is or must be established for the adjourned meeting.

Section 3.06 List of Shareholders. The Secretary shall, not less than five (5) business days before the date of each meeting of shareholders, prepare, or cause to be prepared, a complete alphabetical list of the names of the shareholders entitled to notice of such meeting. Such list shall be arranged by voting group (and within each voting group by class or series of shares) and shall show the address of and number of shares of the Corporation held by each of those shareholders (determined as of the record date for such meeting). The Secretary shall cause such list to be available for inspection by any shareholder entitled to vote at such meeting, beginning five (5) business days before the date of such meeting and continuing through such meeting, at the Principal Office of the Corporation. The Secretary shall also cause such list to be made available at such meeting, and any shareholder, or such shareholder's agent or attorney authorized in writing, shall be entitled to inspect such list at any time during such meeting or any adjournment thereof. If such meeting is held solely by means of remote communication, such list shall be open to examination by any shareholder at any time during such meeting on a reasonably accessible electronic network, and information required to access such list shall be provided with the notice of such meeting.

Section 3.07 Quorum at Meetings. At any meeting of shareholders, the presence, in person or by proxy, of shareholders holding a majority of the votes entitled to be cast at the meeting (determined as of the record date for the meeting) shall constitute a quorum. In the absence of a quorum at a meeting of shareholders, the chairperson of such meeting or the holders of a majority of the shares entitled to vote present in person or by proxy may adjourn such meeting from time to time, until a quorum shall be present. At any such adjourned meeting at which a quorum may be present, any business may be transacted that might have been transacted at the meeting as originally called. Once a share is represented for any purpose at a meeting of shareholders, it is deemed present for quorum purposes for the remainder of such meeting and for any adjournment of such meeting unless a new record date is or must be set for that adjourned meeting.

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Section 3.08 Voting at Meetings. Any action required or permitted to be taken at any meeting of shareholders with respect to any question or matter other than the election of Directors shall be taken pursuant to a vote of the duly authorized, issued and outstanding shares of the Corporation entitled to vote at the meeting (determined as of the record date for the meeting) present, in person or by proxy, at a meeting at which a quorum is present, in which the votes cast favoring the action exceed the votes cast opposing the action, unless a greater number of affirmative votes is required by the provisions of the Act, the articles of incorporation of the Corporation or other applicable legal or regulatory requirement, in which event the action shall be taken only pursuant to the affirmative vote of the greater number. Directors shall be elected as provided in Section 4.03.

Section 3.09 Voting by Proxy. A shareholder may vote such shareholder's shares at any meeting of shareholders either in person or by proxy. A shareholder may authorize a person or persons to act for such shareholder as proxy. Each proxy shall be in the form of a written instrument executed by the shareholder or a duly authorized agent of the shareholder, or may be transmitted by electronic submission as authorized by the Corporation. No proxy shall be voted at any meeting unless and until it has been filed with the Secretary. Any shareholder soliciting proxies from other shareholders must use a proxy card color other than white, which shall be reserved for the exclusive use by the Board of Directors.

Section 3.10 Notice of Shareholder Business. (a) At any meeting of shareholders, only such business may be conducted as shall have been properly brought before the meeting, and as shall have been determined to be lawful and appropriate for consideration by shareholders at the meeting. To be properly brought before a meeting business must be (i) specified in the notice of meeting given in accordance with Section 3.05, (ii) otherwise properly brought before the meeting by or at the direction of the Board of Directors or the Chairperson of the Board or the President, or (iii) otherwise properly brought before the meeting by a shareholder (A) that is a shareholder of record on the date of the giving by such shareholder of the notice provided for in this Section 3.10 and on the record date for the determination of shareholders entitled to notice of and to vote at the meeting, (B) that is entitled to vote on such business at the meeting, and (C) that complies with the notice procedures set forth in this Section 3.10. For business (other than nominations of persons for election to the Board of Directors, which must comply with Section 3.11) to be properly brought before a meeting by a shareholder pursuant to clause (iii) above, the shareholder must have given timely notice thereof in proper written form to the Secretary at the Principal Office of the Corporation.

(b) To be timely, a shareholder's notice must be delivered to or mailed and received by the Secretary at the Principal Office of the Corporation not later than 100 days prior to the anniversary of the date of the immediately preceding annual meeting which was specified in the initial formal notice of such meeting (except that, if the date of the forthcoming annual meeting is more than 30 days after such anniversary date, such written notice will be timely if received by the Secretary by the later of 100 days prior to the forthcoming meeting date and the close of business 10 days following the date on which the Corporation first makes public disclosure of the meeting date). In no event shall the adjournment or postponement of a meeting of shareholders, or the public announcement of such an adjournment or postponement, commence a new time period (or extend any time period) for the giving of a shareholder's notice as provided above in this Section 3.10(b).

To be in proper written form, a shareholder's notice to the Secretary must set forth the following information:

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(i) as to each matter such shareholder proposes to bring before the meeting, a brief description of the business desired to be brought before the meeting and the proposed text of any proposal regarding such business (including the text of any resolutions proposed for consideration and, if such business includes a propose to amend this Code of By-laws, the text of the proposed amendment), and the reasons for conducting such business at the meeting;

(ii) a representation that such shareholder intends to appear in person or by proxy at the meeting to bring such business before the meeting; and

(iii) as to such shareholder and the beneficial owner, if any, on whose behalf such business is proposed to be brought before the meeting or any such proposal regarding such business is being made, (A) the name and address of such person; (B) (1) the class or series and number of all shares of the Corporation that are owned beneficially or of record by such person and any affiliates or associates of such person, (2) the name of each nominee holder of shares of the Corporation owned beneficially but not of record by such person or any affiliates or associates of such person, and the number of such shares of the Corporation held by each such nominee holder, (3) whether and the extent to which any derivative instrument, swap, option, warrant, short interest, hedge, or profit interest or other transaction has been entered into by or on behalf of such person, or any affiliates or associates of such person, with respect to shares of the Corporation, and (4) whether and the extent to which any other transaction, agreement, arrangement or understanding (including, without limitation, any short position or any borrowing or lending of shares of the Corporation) has been entered into or made by or on behalf of such person, or any affiliates or associates of such person, the effect or intent of any of the foregoing being to mitigate loss to, or to manage risk or benefit of share price changes for, such person, or any affiliates or associates of such person, or to increase or decrease the voting power or pecuniary or economic interest of such person, or any affiliates or associates of such person, with respect to any shares of the Corporation; (C) a description of all agreements, arrangements or understandings (whether written or oral) between or among such person, or any affiliates or associates of such person, and any other person or persons (including their names) in connection with or relating to (I) the Corporation or (II) such business or any such proposal regarding such business, and any material interest in, or anticipated benefit from, such business or proposal on the part of such person or any affiliates or associates of such person; and (D) any other information relating to such person that would be required to be disclosed in a proxy statement or other filing required to be made in connection with the solicitation of proxies by such person with respect to such business proposed to be brought by or on behalf of such person before the meeting pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder.

(c) A shareholder giving notice of business proposed to be brought before a meeting of shareholders pursuant to this Section 3.10 shall update and supplement such notice, if necessary, so that the information provided or required to be provided in such notice pursuant to this Section 3.10 shall be true and correct as of the record date for determining the shareholders entitled to receive notice of such meeting, and such update and supplement shall be in writing and shall be delivered to or mailed and received by the Secretary at the Principal Office of the Corporation not later than five (5) business days after the record date for determining the shareholders entitled to receive notice of such meeting. Such shareholder shall update and

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supplement such notice thereafter in writing delivered to or mailed to and received by the Secretary at the Principal Office of the Corporation to reflect any change in such information within two (2) business days of any change in such information and, in any event, as of the close of business on the day preceding the date of such meeting.

(d) If the chairperson of a meeting of shareholders determines that business was not properly brought before such meeting in accordance with this Code of By-laws, or that business was not lawful or appropriate for consideration by shareholders at such annual meeting, he or she shall so declare to such meeting, and any such business shall not be transacted.

(e) Nothing contained in this Section 3.10 shall be deemed to affect any rights of shareholders to request inclusion of proposals in the Corporation's proxy statement pursuant to Rule 14a-8 under the Exchange Act (or any successor provision of law).

Section 3.11 Notice of Shareholder Nominees. (a) Only persons who are nominated in accordance with the procedures set forth in this Section 3.11 shall be eligible for election to the Board of Directors, except as may be otherwise provided in the articles of incorporation of the Corporation with respect to the right of holders of shares of Preferred Stock to nominate and elect a specified number of Directors in certain circumstances. Nominations of persons for election to the Board of Directors may be made at any meeting of shareholders (i) by or at the direction of the Board of Directors or (ii) by any shareholder (A) that is a shareholder of record on the date of the giving by such shareholder of the notice provided for in this Section 3.11 and on the record date for the determination of shareholders entitled to notice of and to vote at the meeting, (B) that is entitled to vote for the election of members of the Board of Directors at the meeting, and (C) that complies with the notice procedures set forth in this Section 3.11. The number of nominees that a shareholder may nominate for election at the annual meeting (or in the case of a shareholder giving the notice on behalf of a beneficial owner, the number of nominees that a shareholder may nominate for election at the annual meeting on behalf of the beneficial owner) shall not exceed the number of Directors to be elected by shareholders generally at such annual meeting.

(b) In addition to any other applicable requirements, for nominations to be made by a shareholder, the shareholder must have given timely notice thereof in proper written form to the Secretary at the Principal Office of the Corporation, and any nominee must satisfy the qualifications established by the Board of Directors from time to time as contained in the proxy statement of the Corporation for the immediately preceding annual meeting or posted on the Internet web site of the Corporation.

To be timely, a shareholder's notice of nomination must be delivered to or mailed and received by the Secretary at the Principal Office of the Corporation (i) in the case of an annual meeting, not later than 100 days prior to the anniversary of the date of the immediately preceding annual meeting which was specified in the initial formal notice of such meeting (except that, if the date of the forthcoming annual meeting is more than 30 days after such anniversary date, such written notice will be timely if received by the Secretary by the later of 100 days prior to the forthcoming meeting date and the close of business 10 days following the date on which the Corporation first makes public disclosure of the meeting date) and (ii) in the case of a special meeting, the close of business on the tenth day following the date on which the Corporation first makes public disclosure of the meeting date.

To be in proper written form, a shareholder's notice to the Secretary must set forth the following information:

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(i) as to each person whom the shareholder proposes to nominate for election as a Director:

(A) the name, age, business address, and residence address of such person;

(B) the principal occupation or employment of such person;

(C) (1) the class or series and number of all shares of the Corporation that are owned beneficially or of record by such person and any affiliates or associates of such person, (2) the name of each nominee holder of shares of the Corporation owned beneficially but not of record by such person or any affiliates or associates of such person, and the number of such shares of the Corporation held by each such nominee holder, (3) whether and the extent to which any derivative instrument, swap, option, warrant, short interest, hedge, or profit interest or other transaction has been entered into by or on behalf of such person, or any affiliates or associates of such person, with respect to shares of the Corporation, and (4) whether and the extent to which any other transaction, agreement, arrangement or understanding (including, without limitation, any short position or any borrowing or lending of shares of the Corporation) has been made by or on behalf of such person, or any affiliates or associates of such person, the effect or intent of any of the foregoing being to mitigate loss to, or to manage risk or benefit of share price changes for, such person, or any affiliates or associates of such person, or to increase or decrease the voting power or pecuniary or economic interest of such person, or any affiliates or associates of such person, with respect to any shares of the Corporation;

(D) such person's written representation and agreement that such person (1) is not and will not become a party to any agreement, arrangement, or understanding with, and has not given any commitment or assurance to, any person or entity as to how such person, if elected as a Director, will act or vote on any issue or question, (2) is not and will not become a party to any agreement, arrangement or understanding with any person or entity other than the Corporation with respect to any direct or indirect compensation, reimbursement, or indemnification in connection with service or action as a Director that has not been disclosed to the Corporation in such representation and agreement, (3) intends, if elected as a Director, to serve as a Director for the term for which he or she is so elected, and (4) in such person's individual capacity, would be in compliance and will comply, if elected as a Director, with all applicable publicly disclosed confidentiality, corporate governance, conflict of interest, Regulation FD, and stock ownership and trading policies and guidelines of the Corporation and all applicable publicly disclosed codes of conduct and ethics of the Corporation;

(E) any other information relating to such person that would be required to be disclosed in a proxy statement or other filing required to be made in connection with solicitations of proxies for election of Directors at the

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meeting pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder; and

(ii) as to such shareholder, and the beneficial owner, if any, on whose behalf such nomination is to be made:

(A) the name and record address of such shareholder and the name and principal place of business of such beneficial owner;

(B) (1) the class or series and number of all shares of the Corporation that are owned beneficially or of record by such person and any affiliates or associates of such person, (2) the name of each nominee holder of shares of the Corporation owned beneficially but not of record by such person or any affiliates or associates of such person, and the number of shares of the Corporation held by each such nominee holder, (3) whether and the extent to which any derivative instrument, swap, option, warrant, short interest, hedge, or profit interest or other transaction has been entered into by or on behalf of such person, or any affiliates or associates of such person, with respect to shares of the Corporation, and (4) whether and the extent to which any other transaction, agreement, arrangement or understanding (including, without limitation, any short position or any borrowing or lending of shares of the Corporation) has been made by or on behalf of such person, or any affiliates or associates of such person, the effect or intent of any of the foregoing being to mitigate loss to, or to manage risk or benefit of share price changes for, such person, or any affiliates or associates of such person, or to increase or decrease the voting power or pecuniary or economic interest of such person, or any affiliates or associates of such person, with respect to any shares of the Corporation;

(C) a description of (1) all agreements, arrangements, or understandings (whether written or oral) between or among such person, or any affiliates or associates of such person, and any proposed nominee, or any affiliates or associates of such proposed nominee, (2) all agreements, arrangements, or understandings (whether written or oral) between or among such person, or any affiliates or associates of such person, and any other person or persons (including their names) pursuant to which the nomination(s) are being made by such person, or otherwise relating to the Corporation or their ownership of shares of the Corporation, and (3) any material interest of such person, or any affiliates or associates of such person, in such nomination, including any anticipated benefit therefrom to such person or any affiliates or associates of such person;

(D) a representation that such shareholder intends to appear in person or by proxy at the meeting to nominate the persons named in such notice;

(E) a representation whether the shareholder, the beneficial owner, if any, on whose behalf the nomination or other business proposal is being made, any control person, or any other participant (as defined in Item 4 of

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Schedule 14A under the Exchange Act) will engage in a solicitation with respect to such nomination or other business proposal and, if so, the name of each participant in such solicitation; and a statement: confirming (1) whether, the shareholder, beneficial owner, or any control person intends, or is part of a group that (x) in the case of a nomination, intends to solicit proxies or votes in support of such director nominees or nomination in accordance with Rule 14a-19 under the Exchange Act, including but not limited to, delivering a proxy statement and form of proxy or otherwise soliciting at least the percentage of the voting power of all of the shares of the stock of the Corporation entitled to vote in the election of directors required by Rule 14a-19, and (y) in the case of a business proposal, intends to deliver a proxy statement and form of proxy or otherwise solicit at least the percentage of voting power of all of the shares of stock of the Corporation entitled to vote on such proposal required under applicable law to approve the proposal; and (2) whether or not any such shareholder, beneficial owner, or any control person intends to otherwise solicit proxies from shareholders in support of such nomination or other business proposal;

(F) the names and addresses of all other shareholders (including beneficial and record owners and control persons) known by the nominating shareholder to support financially the nomination or other business proposal, and to the extent known, the class and number of all shares of the Corporation's capital stock owned beneficially or of record by such other stockholders (including beneficial and record owners and control persons); and

(G) any other information relating to such person that would be required to be disclosed in a proxy statement or other filing required to be made in connection with the solicitation of proxies for election of Directors at the meeting pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder;

and must be accompanied, for each proposed nominee to which such notice relates, by a written consent of such proposed nominee to being named in any proxy materials as a nominee and to serving as a Director if elected and a written questionnaire (the form of which questionnaire shall be provided by the Secretary upon written request), completed and duly executed by such proposed nominee, with respect to the background and qualification of such proposed nominee.

In addition to the information required or requested pursuant to the immediately preceding paragraph or any other provision of this Code of By-laws, the Corporation may require any nominee or proposed nominee for election to the Board of Directors to furnish any other information (x) that may reasonably be requested by the Corporation to determine whether such nominee or proposed nominee would be independent under the rules and listing standards of the securities exchanges upon which shares of the Corporation are listed or traded, any applicable rules of the U.S. Securities and Exchange Commission or any publicly disclosed standards used by the Board of Directors in determining and disclosing the independence of the Directors; (y) that could be material to a reasonable shareholder's understanding of the independence, or lack

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thereof, of such nominee or proposed nominee; or (z) that may reasonably be requested by the Corporation to determine the eligibility of such nominee or proposed nominee to serve as a Director.

(c) A shareholder giving notice of any nomination of persons for election to the Board of Directors proposed to be made at a meeting of shareholders pursuant to this Section 3.11 shall update and supplement such notice, if necessary, so that the information provided or required to be provided in such notice pursuant to this Section 3.11 shall be true and correct as of the record date for determining the shareholders entitled to receive notice of such meeting, and such update and supplement shall be delivered to or be mailed to and received by the Secretary at the Principal Office of the Corporation not later than five (5) business days after the record date for determining the shareholders entitled to receive notice of such meeting. Such shareholder shall update and supplement such notice thereafter in writing delivered to or mailed to and received by the Secretary at the Principal Office of the Corporation to reflect any change in such information within two (2) business days of any change in such information and, in any event, as of the close of business on the day preceding the date of such meeting.

(d) No person shall be eligible for election as a Director unless nominated in accordance with the procedures set forth in this Section 3.11, including, without limitation, compliance by such person with any requirement to furnish information pursuant to the last paragraph of Section 3.11(b). If any shareholder provides notice pursuant to Rule 14a-19 under the Exchange Act, such shareholder shall deliver to the Corporation, no later than five (5) business days prior to the applicable meeting (or any adjournment, postponement, or rescheduling thereof), reasonable documentary evidence (as determined by the Corporation or one of its representatives in good faith) that it has met all of the applicable requirements of Rule 14a-19 under the Exchange Act. Without limiting the other provisions and requirements of this Section 3.11, unless otherwise required by law, if any shareholder provides such notice and either (A) fails to comply with the requirements of Rule 14a-19 under the Exchange Act, or (B) fails to timely provide reasonable evidence of such compliance as required by this Section 3.11(d), then the shareholder's nomination of each such proposed nominee shall be disregarded, notwithstanding that the nominee is included as a nominee in the Corporation's proxy statement, notice of meeting, or other proxy materials for any annual meeting (or any supplement thereto) and the Corporation shall disregard any proxies or votes solicited for such stockholder's nominees. If the chairperson of a meeting of shareholders determines that a nomination of a person for election to the Board of Directors at such meeting was not made in accordance with such procedures and representations, such chairperson shall declare to such meeting that such nomination was defective, and such defective nomination is invalid and shall be disregarded, with no vote taken with respect to such nomination (notwithstanding any proxies with respect to such nomination having been received by the Corporation).

Section 3.12 Conduct of Meetings. At each meeting of shareholders, the Chairperson of the Board or, in the absence of the Chairperson of the Board, the Vice Chairperson of the Board or, in the absence of the Vice Chairperson of the Board, such person as may be appointed by the Board of Directors to preside at such meeting shall preside as the chairperson of such meeting.

The Board of Directors may adopt such rules and regulations for the conduct of any meeting of shareholders as it shall deem appropriate. Except to the extent inconsistent with this Code of By-laws or such rules and regulations as adopted by the Board of Directors, the chairperson of the meeting of shareholders shall have the right and authority to convene and to

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adjourn the meeting (whether or not a quorum is present), to prescribe such rules, regulations and procedures, to decide questions relating to the conduct of the meeting, and to do all such acts as, in the judgment of such chairperson, are appropriate for the proper conduct of the meeting. Such rules, regulations or procedures, whether adopted by the Board of Directors or prescribed by the chairperson of the meeting of shareholders, may include, without limitation, the following: (i) the establishment of an agenda or order of business for the meeting, (ii) rules and procedures for maintaining order at the meeting and the safety of those present, (iii) limitations on attendance at or participation in the meeting to shareholders, their duly authorized and constituted proxies or such other persons as the chairperson of the meeting shall determine, (iv) restrictions on entry to the meeting after the time fixed for the commencement thereof, (v) limitations on the time allotted to questions or comments by participants, and (vi) restrictions on the use of mobile phones, audio or video recording devices and similar devices at the meeting. Unless and to the extent determined by the Board of Directors or the chairperson of the meeting, a meeting of shareholders shall not be required to be held in accordance with the rules of parliamentary procedure or any other rules of procedure or conduct.

The chairperson of a meeting of shareholders may adjourn such meeting from time to time, regardless of whether a quorum is present. Any previously scheduled meeting of shareholders may be postponed by resolution of the Board of Directors, or by any officer or Director designated by the Board of Directors, upon public notice given prior to the time previously scheduled for such meeting.

#### ARTICLE 4. The Board of Directors

Section 4.01 Number of Members. The Board of Directors shall consist of no fewer than seven (7) members and no more than thirteen (13) members, as fixed from time to time by resolution of the Board of Directors.

Section 4.02 Qualification of Members. Each member of the Board of Directors shall be an adult individual. Members of the Board of Directors need not be shareholders of the Corporation and need not be residents of the State of Indiana or citizens of the United States of America.

Section 4.03 Election of Members; Classes of Directors; Terms; Vote Required. The members of the Board of Directors shall be elected by the shareholders at the annual meeting of shareholders, at a special meeting of shareholders called for that purpose or by the unanimous written consent of the shareholders, except that a majority of the duly elected and qualified members of the Board of Directors then occupying office may fill any vacancy in the membership of the Board of Directors resulting from death, resignation, retirement, disqualification, removal from office or other cause, or caused by an increase in the number of the members of the Board of Directors.

The members of the Board of Directors shall be divided into three classes, each having one-third of the total number of members of the Board of Directors or as near to one-third of such number as may be possible, with the difference between the number of Directors in any class and the number of Directors in any other class not exceeding one. If the number of Directors is changed, any increase or decrease shall be apportioned among the classes as determined by the Board of Directors, provided that (i) in no case will a decrease in the number of Directors shorten the term of any incumbent Director and (ii) any such increase or decrease shall be apportioned such that each class has one-third of the total number of members of the

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Board of Directors or as near to one-third of such number as may be possible, with the difference between the number of Directors in any class and the number of Directors in any other class not exceeding one.

At each annual meeting of shareholders, the terms of all of the members of one class of Directors shall expire and Directors shall be elected to succeed the members of such class for three-year terms expiring at the third succeeding annual meeting of shareholders. A Director elected by the Board of Directors to fill any vacancy on the Board of Directors shall be elected for a term expiring at the next succeeding annual meeting of shareholders, regardless of the class to which such Director is elected, and at such next annual meeting of shareholders, a Director shall be elected to succeed such Director for a term of one, two, or three years expiring at the next annual meeting of shareholders at which full three-year terms of members of such Director's class will expire. Except as otherwise provided below, each member of the Board of Directors shall serve as such throughout the term for which he or she is elected and until his or her successor is duly elected and qualified.

Unless the articles of incorporation of the Corporation provide otherwise, Directors elected at a meeting of shareholders shall be elected to the Board of Directors if a majority of the votes cast by the shares entitled to vote in the election at a meeting of shareholders at which a quorum is present are cast in favor of a nominee's election; provided, however, that, if the number of nominees for Director exceeds the number of Directors to be elected, Directors shall be elected by a plurality of the votes cast by the shares entitled to vote in the election at a meeting of shareholders at which a quorum is present. If an incumbent Director nominee fails to receive the required vote, the Director's term shall end at the annual meeting at which he or she failed to receive the required vote. If a Director's term ends as described in the immediately preceding sentence, then the Board of Directors may fill the resulting vacancy as provided in this Section 4.03, or may decrease the size of the Board of Directors pursuant to Section 4.01.

**Section 4.04 Removal of Members.** Any Director, or the entire Board of Directors, may be removed from office at any time, but only for cause and only by the affirmative vote of the holders of at least two-thirds (2/3) of the voting power of all of the shares of the Corporation entitled to vote generally in the election of Directors, voting together as a single class.

**Section 4.05 Resignations of Members.** Any member of the Board of Directors may resign at any time, with or without cause, by delivering written notice of his or her resignation to the Board of Directors. The resignation shall take effect at the time specified in the written notice or upon receipt by the Board of Directors, as the case may be, and, unless otherwise specified in the written notice, the acceptance of the resignation shall not be necessary to make it effective.

**Section 4.06 Annual Meeting; Regular Meetings.** The Board of Directors shall hold its annual meeting immediately following the annual meeting of shareholders for the purposes of electing individuals to each of the offices of the Corporation and acting upon such other questions or matters as may properly come before the meeting. The Board of Directors may provide by resolution for the holding of regular meetings in addition to its annual meeting.

**Section 4.07 Special Meetings.** Special meetings of the Board of Directors may be called by the Chairperson of the Board, the Vice Chairperson of the Board, or any three (3) members of the Board of Directors, excluding any Director (other than the President) who has not been determined to be an independent member of the Board of Directors.

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Section 4.08 Place of Meetings; Participation Other Than in Person. Unless otherwise provided by resolution of the Board of Directors, the annual meeting of the Board of Directors shall be held at the same place at which the annual meeting of shareholders is held. Special meetings of the Board of Directors and regular meetings of the Board of Directors other than the annual meeting may be held at the Principal Office of the Corporation or at any other place, within or without the State of Indiana. The Board of Directors may permit any or all Directors to participate in any meeting of the Board of Directors by, or conduct any such meeting through the use of, any means of communication by which all Directors participating may simultaneously hear each other during the meeting. A Director participating in a meeting of the Board of Directors by such means shall be deemed to be present in person at such meeting.

Section 4.09 Notice of Meetings. No notice of the annual meeting of the Board of Directors or of regular meetings of the Board of Directors other than the annual meeting shall be required. Notice of any special meeting of the Board of Directors stating the date, time, and place of such meeting shall be given to each Director not less than twenty-four (24) hours before such meeting or within such shorter interval before such meeting as the person or persons calling such meeting may deem necessary or appropriate under the circumstances. Such notice need not specify the purpose or purposes of such meeting and may be communicated in person (either in writing or orally); by telephone, telegraph, teletype, or other form of wire or wireless communication; by mail; electronically; or in any other manner permitted by the Act. If given by mail, such notice shall be mailed, addressed to the applicable Director's address listed in the most current records of the Corporation, by United States mail, postage prepaid, or by private carrier service, fees prepaid or billed to the Corporation, at least five (5) days (as evidenced by the postmark or private carrier receipt) prior to the scheduled time of such meeting.

Any Director may waive any notice required by the Act, the articles of incorporation of the Corporation or this Code of By-laws before or after the date and time stated in the notice. Except as provided in the next sentence, such waiver must be in writing, signed by the Director entitled to the notice, and filed with the minutes or corporate records of the Corporation. A Director's attendance at or participation in a meeting of the Board of Directors waives any required notice to such Director of such meeting unless such Director at the beginning of such meeting (or promptly upon such Director's arrival) objects to holding such meeting or transacting business at such meeting and does not thereafter vote for or assent to action taken at such meeting.

Section 4.10 Quorum at Meetings. At any annual meeting, other regular meeting or special meeting of the Board of Directors, the presence of a majority of the then duly elected and qualified members of the Board of Directors then occupying office shall constitute a quorum.

Section 4.11 Voting at Meetings. If a quorum is present when a vote is taken, the affirmative vote of a majority of the Directors present is the act of the Board of Directors, unless a greater number is required by the provisions of the Act, the articles of incorporation of the Corporation or this Code of By-laws.

Section 4.12 Action Without Meeting. Any action required or permitted to be taken at a meeting of the Board of Directors with respect to any question or matter may be taken without a meeting if the action is taken by all members of the Board of Directors and the action is evidenced by one (1) or more written consents describing the action taken, signed by each Director, delivered to the Secretary and included in the minutes or filed with the corporate records of the Corporation reflecting the action taken. Action taken under this Section 4.12 is

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effective when the last Director signs the consent unless (a) the consent specifies a different prior or subsequent effective date, in which case the consent is effective on that date, or (b) no effective date contemplated by the immediately-preceding clause (a) is designated and the action taken under this Section 4.12 is taken electronically as contemplated by the Uniform Electronic Transactions Act (Chapter 8 of Article 2 of Indiana Code Title 26), in which case the effective date is the date determined in accordance with the Uniform Electronic Transactions Act. A consent signed under this Section 4.12 has the effect of a meeting vote and may be described as such in any document. A Director's consent may be withdrawn by a revocation signed by the Director and delivered to the Corporation before the delivery to the Corporation of unrevoked written consents signed by all the Directors.

Section 4.13 The Chairperson of the Board. The Board of Directors may appoint a Chairperson of the Board from among the members of the Board of Directors. The Chairperson of the Board shall provide leadership and direction to the Board of Directors, shall provide advice and counsel to the President and other officers of the Corporation, shall preside at all meetings of the Board of Directors and at each meeting of shareholders as chairperson of such meeting of shareholders, and shall, in addition, have such further powers and perform such further duties as are specified in this Code of By-laws or as the Board of Directors may, from time to time, assign or delegate to the Chairperson of the Board.

Section 4.14 The Vice Chairperson. The Board of Directors may appoint a Vice Chairperson of the Board from among the members of the Board of Directors. The Vice Chairperson of the Board shall preside at all meetings of the Board of Directors in the absence of the Chairperson of the Board, shall preside at each meeting of shareholders as chairperson of such meeting of shareholders in the absence of the Chairperson of the Board, shall otherwise act in place of and carry out the responsibilities of the Chairperson of the Board if the Chairperson of the Board is absent or unable to act, shall assist the Chairperson of the Board in providing leadership and direction to the Board of Directors, shall, at the request of the Chairperson of the Board, provide advice and counsel to or otherwise assist the Chairperson of the Board in the conduct of the responsibilities of the Chairperson of the Board, and shall have such further powers and perform such further duties as are specified in this Code of By-laws or as the Board of Directors may, from time to time, assign or delegate to the Chairperson of the Board.

If at any time the person serving as Chairperson of the Board ceases to be the Chairperson of the Board for any reason, and prior to that time the Board of Directors has not appointed another member of the Board of Directors to succeed such person as Chairperson of the Board, the Vice Chairperson of the Board, at that time and without further action by the Board of Directors, shall become the Chairperson of the Board and shall serve in that capacity until he or she is replaced as Chairperson of the Board by the Board of Directors or ceases to be a member of the Board of Directors.

Section 4.15 Mandatory Classified Board Structure. The provisions of Indiana Code Section 23-1-33-6(c) shall not apply to the Corporation.

#### ARTICLE 5. Committees

Section 5.01 Creation; Powers. The Board of Directors may create one (1) or more committees and appoint members of the Board of Directors to serve on them. Any such committee may have one (1) or more members, who shall serve at the pleasure of the Board of

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Directors. The creation of such a committee and appointment of members to it must be effected by resolution of the Board of Directors approved by a majority of all the Directors in office at the time of such approval. Any such committee shall have and may exercise such of the powers and authority of the Board of Directors in the management of the business and affairs of the Corporation as may be provided in such resolution, in the articles of incorporation of the Corporation or this Code of By-laws, except that no such committee may take any of the actions specified in Section 23-1-34-6(e) of the Act.

Any such committee may authorize the seal of the Corporation to be affixed to all papers that may require it. In addition to and subject to the above, such committee or committees shall have such other powers and limitations of authority as may be determined from time to time by the Board of Directors.

Section 5.02 Procedure; Meetings; Quorum. Any committee created pursuant to Section 5.01 shall keep regular minutes of its actions and proceedings in a book provided for that purpose and report the same to the Board of Directors at its meeting next succeeding such action, shall fix its own rules or procedures, and shall meet at such times and at such place or places as may be provided by such rules, or by such committee or the Board of Directors. Should a committee fail to fix its own rules, the provisions of this Code of By-laws pertaining to the calling of meetings and conduct of business by the Board of Directors shall apply as nearly as may be possible. At every meeting of any such committee, the presence of a majority of all the members thereof shall constitute a quorum, and the affirmative vote of a majority of the members present shall be necessary for the adoption by it of any resolution.

Section 5.03 Substitution and Removal of Members; Vacancies. The Board of Directors may designate one or more Directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of such committee. The Board of Directors shall have the power at any time to remove any member(s) of a committee and to appoint other Directors in lieu of the person(s) so removed and shall also have the power to fill vacancies in a committee.

#### ARTICLE 6. The Officers

Section 6.01 Number of Officers. The officers of the Corporation shall consist of a President (who shall, as such, be the Chief Executive Officer of the Corporation, in accordance with Section 6.07), a Secretary and a Treasurer, and may, in addition, consist of one or more Executive Vice Presidents, Senior Vice Presidents or Vice Presidents, a Chief Financial Officer, one or more Assistant Secretaries, one or more Assistant Treasurers, and such other officers as may be determined by the Board of Directors. Any two or more offices may be held by the same person except that the offices of President and Secretary shall not be held by the same person.

Section 6.02 Qualifications of Officers. Each officer of the Corporation shall be an adult individual. The officers of the Corporation need not be shareholders and need not be residents of the State of Indiana or citizens of the United States of America.

Section 6.03 Election of Officers. The officers of the Corporation shall be elected by the Board of Directors at each annual meeting of the Board of Directors. Each officer shall serve as such until the next ensuing annual meeting of the Board of Directors and until his or her successor shall have been duly elected and shall have qualified, except as hereinafter provided. Each officer shall be deemed to have qualified as such upon his or her election.

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Section 6.04 Removal of Officers. Any officer of the Corporation may be removed at any time, with or without cause, by the Board of Directors.

Section 6.05 Resignation of Officers. Any officer of the Corporation may resign at any time, with or without cause, by delivering written notice of his or her resignation to the Board of Directors, the Chairperson of the Board or the Secretary. The resignation shall take effect when such notice is delivered, unless such notice specifies a later effective date, and, unless otherwise specified in such notice, the acceptance of the resignation shall not be necessary to make it effective.

Section 6.06 Filling of Vacancies. Any vacancies in the offices of the Corporation because of death, adjudication of incompetency, resignation, removal or any other cause shall be filled for the unexpired portion of the term of that office by the Board of Directors.

Section 6.07 The President. The President shall be the Chief Executive Officer of the Corporation. The President shall be responsible for the active overall direction and administration of the affairs of the Corporation, subject, however, to the control of the Board of Directors. In general, the President shall have such powers and perform such duties as are incident to the office of the president and chief executive officer of a business corporation and shall, in addition, have such other and further powers and perform such other further duties as are specified in this Code of By-laws or as the Board of Directors may, from time to time, assign to or delegate to the President or the Chief Executive Officer. At the request of the President, any Vice President, Senior Vice President, or Executive Vice President may, in the case of absence or inability to act of the President, temporarily act in his or her place. In the case of the President's death or inability to act without having designated a Vice President, Senior Vice President, or Executive Vice President to act temporarily in his or her place, an officer of the Corporation so to perform the duties of the President shall be designated by the Board of Directors.

Section 6.08 The Vice Presidents. Each Vice President (if one or more Vice Presidents are elected) shall assist the Chairperson of the Board and the President in their duties and shall have such other powers and perform such other duties as the Board of Directors, the Chairperson of the Board, the President, or any Executive Vice President or Senior Vice President may, from time to time, assign or delegate to him or her.

Section 6.09 The Secretary. The Secretary shall be the chief custodial officer of the Corporation. The Secretary shall keep or cause to be kept, in minute books provided for the purpose, the minutes of the proceedings of the shareholders and the Board of Directors. The Secretary shall see that all notices are duly given in accordance with the provisions of this Code of By-laws and as required by law. The Secretary shall be custodian of the minute books, archives, records, and the seal of the Corporation and see that the seal is affixed to all documents, the execution of which on behalf of the Corporation under its seal is duly authorized by the shareholders, the Board of Directors, the Chairperson of the Board or the President or as required by law. In general, the Secretary shall have such powers and perform such duties as are incident to the office of secretary of a business corporation and shall, in addition, have such further powers and perform such further duties as are specified in this Code of By-laws or as the Board of Directors, the Chairperson of the Board, or the President may, from time to time, assign or delegate to the Secretary.

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Section 6.10 The Assistant Secretaries. Each Assistant Secretary (if one or more Assistant Secretaries are elected) shall assist the Secretary in his or her duties, and shall have such other powers and perform such other duties as the Board of Directors, the Chairperson of the Board, the President or the Secretary may, from time to time, assign or delegate to him or her. At the request of the Secretary, any Assistant Secretary may, in the case of the absence or inability to act of the Secretary, temporarily act in his or her place. In the case of the death or resignation of the Secretary, or in the case of the Secretary's absence or inability to act without having designated an Assistant Secretary to act temporarily in his or her place, the Assistant Secretary so to perform the duties of the Secretary shall be designated by the President.

Section 6.11 The Treasurer. The Treasurer shall have such powers and perform such duties as are incident to the office of treasurer of a business corporation and have such further powers and perform such further duties as the Board of Directors, the Chairperson of the Board, the President, or the Chief Financial Officer may, from time to time, assign or delegate to the Treasurer.

Section 6.12 The Assistant Treasurers. Each Assistant Treasurer (if one or more Assistant Treasurers are elected) shall assist the Treasurer in his or her duties, and shall have such other powers and perform such other duties as the Board of Directors, the Chairperson of the Board, the President or the Treasurer may, from time to time, assign or delegate to such Assistant Treasurer. At the request of the Treasurer, any Assistant Treasurer may, in the case of the absence or inability to act of the Treasurer, temporarily act in the Treasurer's place. In the case of the death or resignation of the Treasurer, or in the case of his or her inability to act without having designated an Assistant Treasurer to act temporarily in his or her place, the Assistant Treasurer so to perform the duties of the Treasurer shall be designated by the President.

Section 6.13 Function of Offices. The offices of the Corporation are established in order to facilitate the day to day administration of the affairs of the Corporation in the ordinary course of its business and to provide an organization capable of executing and carrying out the decisions and directions of the Board of Directors. The officers of the Corporation shall have such powers and perform such duties as may be necessary or desirable to conduct and effect all transactions in the ordinary course of the business of the Corporation without further authorization by the Board of Directors and such further powers as are granted by this Code of By-laws or are otherwise granted by the Board of Directors.

#### ARTICLE 7. Indemnification

Section 7.01 Definitions. As used in this Article 7:

a) "expenses" includes all direct and indirect costs of any type or nature whatsoever (including, without limitation, all attorneys' fees and related disbursements and other out-of-pocket costs) actually and reasonably incurred by an Eligible Person (as hereinafter defined) in connection with the investigation, defense, settlement, or appeal of a proceeding or establishing or enforcing a right to indemnification or advancement of expenses under this Article; provided, however, that expenses shall not include any judgments, fines, ERISA excise taxes or penalties, or amounts paid in settlement of a proceeding.

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b) “proceeding” includes, without limitation, any threatened, pending, or completed action, suit, arbitration, alternate dispute resolution mechanism, investigation, administrative hearing, or any other proceeding, whether civil, criminal, administrative, or investigative and whether formal or informal, whether by a third party or by or in the right of the Corporation, by reason of the fact that an Eligible Person is or was a director, officer, or employee of the Corporation or, while a director, officer, or employee of the Corporation, is or was serving at the request of the Corporation as a director, officer, partner, member, manager, trustee, employee, fiduciary, or agent of another domestic or foreign corporation, partnership, limited liability company, joint venture, trust, employee benefit plan, or other enterprise, or an affiliate of the Corporation, whether for profit or not.

Section 7.02 Indemnity. The Corporation shall indemnify any person who is or was a director, officer, or employee of the Corporation (“Eligible Person”) in accordance with the provisions of this Section 7.02 if the Eligible Person is a party to or threatened to be made a party to any proceeding against all expenses, judgments, fines (including any excise tax or penalty assessed with respect to any employee benefit plan) and amounts paid in settlement actually and reasonably incurred by the Eligible Person in connection with such proceeding, but only (a) if the Eligible Person acted in good faith, and (b) (i) in the case of conduct in the Eligible Person’s official capacity with the Corporation, if the Eligible Person acted in a manner which the Eligible Person reasonably believed to be in the best interests of the Corporation, or (ii) in the case of conduct other than in the Eligible Person’s official capacity with the Corporation, if the Eligible Person acted in a manner which the Eligible Person reasonably believed was at least not opposed to the best interests of the Corporation, and (c) in the case of a criminal proceeding, the Eligible Person had reasonable cause to believe that the Eligible Person’s conduct was lawful or had no reasonable cause to believe that the Eligible Person’s conduct was unlawful, and (d) if required by the Act, the Corporation makes a determination that indemnification of the Eligible Person is permissible because the Eligible Person has met the standard of conduct as set forth in the Act.

Section 7.03 Indemnification of Expenses of Successful Party. Notwithstanding any other provisions of this Article, to the extent that the Eligible Person has been wholly successful, on the merits or otherwise, in the defense of any proceeding or in defense of any claim, issue, or matter therein, including the dismissal of an action without prejudice, the Corporation shall indemnify the Eligible Person against all expenses incurred in connection therewith.

Section 7.04 Additional Indemnification. Notwithstanding any limitation in Sections 7.02 or 7.03, the Corporation shall indemnify the Eligible Person to the full extent authorized or permitted by any amendments to or replacements of the Act adopted after the date of adoption of this Article that increase the extent to which a corporation may indemnify its Eligible Persons if the Eligible Person is a party to or threatened to be made a party to any proceeding against all expenses, judgments, fines (including any excise tax or penalty assessed with respect to any employee benefit plan) and amounts paid in settlement actually and reasonably incurred by the Eligible Person in connection with such proceeding.

Section 7.05 Exclusions. Notwithstanding any provision in this Article 7, the Corporation shall not be obligated under this Article to make any indemnity or advance expenses in connection with any claim made against the Eligible Person:

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- a) for which payment has actually been made to or on behalf of the Eligible Person under any insurance policy or other indemnity provision, except with respect to any excess beyond the amount paid under such insurance or other indemnity provision;
- b) if a court having jurisdiction in the matter shall finally determine that an Eligible Person derived an improper personal benefit from any transaction;
- c) if a court having jurisdiction in the matter shall finally determine that an Eligible Person is liable for disgorgement of profits resulting from the purchase and sale or sale and purchase by the Eligible Person of securities of the Corporation in violation of Section 16(b) of the Exchange Act and amendments thereto or similar provisions of any federal, state, or local statutory law or common law;
- d) if a court having jurisdiction in the matter shall finally determine that such indemnification is not lawful under any applicable statute; or
- e) if such indemnification is not lawful under any applicable public policy (in this respect, if applicable, both the Corporation and the Eligible Person have been advised that the Securities and Exchange Commission takes the position that indemnification for liabilities (i) arising under the federal securities laws or (ii) for the recovery of erroneously awarded compensation as a result of material noncompliance with accounting rules are both against public policy and are, therefore, unenforceable and that claims for indemnification should be submitted to appropriate courts for adjudication); or
- f) in connection with any proceeding (or part thereof) initiated by the Eligible Person against the Corporation or its directors, officers, or employees, unless (i) such indemnification is expressly required to be made by law, (ii) the proceeding was authorized by the Board of Directors, (iii) such indemnification is provided by the Corporation, in its sole discretion, pursuant to the powers vested in the Corporation under applicable law, or (iv) the proceeding is initiated pursuant to Section 7.08 hereof and the Eligible Person is successful in whole or in part in such proceeding.

Section 7.06 Advancement of Expenses. The expenses incurred by the Eligible Person in any proceeding shall, subject to Section 7.05, be paid promptly by the Corporation upon demand and in advance of final disposition of the proceeding at the written request of the Eligible Person, if (a) the Eligible Person furnishes the Corporation with a written affirmation of the Eligible Person's good faith belief that the Eligible Person has met the standard of conduct required by the Act or this Article, (b) the Eligible Person furnishes the Corporation with a written undertaking to repay such advance to the extent that it is ultimately determined that the Eligible Person did not meet the standard of conduct that would entitle the Eligible Person to indemnification, and (c) if required by the Act, the Corporation makes a determination that the facts known to those making the determination would not preclude indemnification under the Act. Such advances shall be made without regard to the Eligible Person's ability to repay such expenses.

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Section 7.07 Notification and Defense of Claim. To obtain indemnification under this Article, as soon as practicable after receipt by the Eligible Person of notice of the commencement of any proceeding, the Eligible Person shall, if a claim in respect thereof is to be made against the Corporation under this Article, notify the Corporation of the commencement thereof; provided, however, that the omission so to notify the Corporation will not relieve the Corporation from any liability which it may have to the Eligible Person otherwise than under this Article. With respect to any such proceeding as to which the Eligible Person notifies the Corporation of the commencement thereof:

a) The Corporation will be entitled to participate therein at its own expense.

b) Except as otherwise provided below, the Corporation may, at its option and jointly with any other indemnifying party similarly notified and electing to assume such defense, assume the defense thereof, with legal counsel reasonably satisfactory to the Eligible Person. The Eligible Person shall have the right to employ separate counsel in such proceeding, but the Corporation shall not be liable to the Eligible Person under this Article, including Section 7.06 hereof, for the fees and expenses of such counsel incurred after notice from the Corporation of its assumption of the defense, unless (i) the Eligible Person reasonably concludes that there may be a conflict of interest between the Corporation and the Eligible Person in the conduct of the defense of such proceeding or (ii) the Corporation does not employ counsel to assume the defense of such proceeding. The Corporation shall not be entitled to assume the defense of any proceeding brought by the Corporation or as to which the Eligible Person shall have made the conclusion provided for in (i) above.

c) If two or more persons who may be entitled to indemnification from the Corporation, including the Eligible Person, are parties to any proceeding, the Corporation may require the Eligible Person to engage the same legal counsel as the other parties. The Eligible Person shall have the right to employ separate legal counsel in such proceeding, but the Corporation shall not be liable to the Eligible Person under this Article, including Section 7.06 hereof, for the fees and expenses of such counsel incurred after notice from the Corporation of the requirement to engage the same counsel as other parties, unless the Eligible Person reasonably concludes that there may be a conflict of interest between the Eligible Person and any of the other parties required by the Corporation to be represented by the same legal counsel.

d) The Corporation shall not be liable to indemnify the Eligible Person under this Article for any amounts paid in settlement of any proceeding effected without its written consent in advance which consent shall not be unreasonably withheld. The Corporation shall be permitted to settle any proceeding the defense of which it assumes, except the Corporation shall not settle any action or claim in any manner which would impose any penalty or limitation on the Eligible Person without the Eligible Person's written consent, which consent shall not be unreasonably withheld.

Section 7.08 Enforcement. Any right to indemnification or advances granted by this Article to the Eligible Person shall be enforceable by or on behalf of the Eligible Person in any

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court of competent jurisdiction if (i) the claim for indemnification or advances is denied, in whole or in part, or (ii) no disposition of such claim is made within 90 days of a written request therefor. The Eligible Person, in such enforcement action, if successful in whole or in part, shall be entitled to be paid also the expense of prosecuting the claim. Neither the failure of the Corporation (including its Board of Directors or its shareholders) to make a determination prior to the commencement of such enforcement action that indemnification of the Eligible Person is proper in the circumstances, nor an actual determination by the Corporation (including its Board of Directors or its shareholders) that such indemnification is improper, shall be a defense to the action or create a presumption that the Eligible Person is not entitled to indemnification under this Article or otherwise. The termination of any proceeding by judgment, order of court, settlement, conviction, or upon a plea of nolo contendere, or its equivalent, shall not, of itself, create a presumption that the Eligible Person is not entitled to indemnification under this Article or otherwise.

Section 7.09 Partial Indemnification. If the Eligible Person is entitled under any provisions of this Article to indemnification by the Corporation for some or a portion of the expenses, judgments, fines (including any excise tax or penalty assessed with respect to any employee benefit plan) and amounts paid in settlement actually and reasonably incurred by the Eligible Person in the investigation, defense, appeal, or settlement of any proceeding but not, however, for the total amount thereof, the Corporation shall indemnify the Eligible Person for the portion of such expenses, judgments, fines (including any excise tax or penalty assessed with respect to any employee benefit plan) and amounts paid in settlement to which the Eligible Person is entitled.

Section 7.10 Nonexclusivity; Survival; Successors and Assigns. The indemnification and advance payment of expenses as provided by this Article shall not be deemed exclusive of any other rights to which the Eligible Person may be entitled under the Corporation's articles of incorporation or any agreement, any vote of shareholders or directors, the Act, or otherwise, both as to action in the Eligible Person's official capacity and as to action in another capacity. The right of the Eligible Person to indemnification under this Article shall vest at the time of occurrence or performance of any event, act or omission or any alleged event, act or omission giving rise to any action, suit or proceeding and, once vested, shall survive any actual or purported amendment, restatement or repeal of this Article by the Corporation or its successors or assigns whether by operation of law or otherwise and shall survive termination of the Eligible Person's services to the Corporation and shall inure to the benefit of the heirs, personal representatives, and estate of the Eligible Person.

Section 7.11 Severability. If this Article or any portion thereof is invalidated on any ground by any court of competent jurisdiction, the Corporation shall indemnify the Eligible Person as to expenses, judgments, fines (including any excise tax or penalty assessed with respect to any employee benefit plan) and amounts paid in settlement with respect to any proceeding to the full extent permitted by any applicable portion of this Article that is not invalidated or by any other applicable law.

Section 7.12 Subrogation. In the event of payment under this Article, the Corporation shall be subrogated to the extent of such payment to all of the rights of recovery of the Eligible Person, who shall as a condition of receiving indemnification hereunder execute all documents required and shall do all acts necessary or desirable to secure such rights and to enable the Corporation effectively to bring suit to enforce such rights.

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## ARTICLE 8 Miscellaneous Matters

Section 8.01 Fiscal Year. The fiscal year of the Corporation shall end at midnight on September 30 of each calendar year.

Section 8.02 Negotiable Instruments. All checks, drafts, bills of exchange and orders for the payment of money may, unless otherwise directed by the Board of Directors, or unless otherwise required by law, be executed in its name by the President, a Vice President (including a Senior Vice President or Executive Vice President), the Treasurer, or an Assistant Treasurer, singly and without necessity of countersignature. The Board of Directors may, however, authorize any other officer or employee of the Corporation to sign checks, drafts and orders for the payment of money, singly and without necessity of countersignature.

Section 8.03 Notes and Obligations. All notes and obligations of the Corporation for the payment of money other than those to which reference is made in Section 8.02 of this Code of By-laws, may, unless otherwise directed by the Board of Directors, or unless otherwise required by law, be executed in its name by the President, a Vice President (including a Senior Vice President or Executive Vice President), or the Treasurer, singly and without necessity of either attestation or affixation of the corporate seal by the Secretary or an Assistant Secretary.

Section 8.04 Deeds and Contracts. All deeds and mortgages made by the Corporation and all other written contracts and agreements to which the Corporation shall be a party may, unless otherwise directed by the Board of Directors, or unless otherwise required by law, be executed in its name by the President or a Vice President (including a Senior Vice President or Executive Vice President) singly and without necessity of either attestation or affixation of the corporate seal by the Secretary or an Assistant Secretary.

Section 8.05 Endorsement of Stock Certificates. Any certificate for shares of stock issued by any corporation and owned by the Corporation (including shares of Common Stock held by the Corporation as treasury stock) may, unless otherwise required by law, be endorsed for sale or transfer by the President or a Vice President (including a Senior Vice President or Executive Vice President), and attested by the Secretary or an Assistant Secretary; the Secretary or an Assistant Secretary, when necessary or required, may affix the corporate seal to the certificate.

Section 8.06 Voting of Stock. Any shares of stock issued by any other corporation and owned by the Corporation may be voted at any shareholders' meeting of the other corporation by the President, if the President is present, or in the President's absence by the Chief Financial Officer or a Vice President, Senior Vice President, or Executive Vice President. Whenever, in the judgment of the President, it is desirable for the Corporation to execute a proxy or to give a shareholders' consent with respect to any shares of stock issued by any other corporation and owned by the Corporation, the proxy or consent may be executed in the name of the Corporation by the President, the Chief Financial Officer or a Vice President, Senior Vice President, or Executive Vice President singly and without necessity of either attestation or affixation of the corporate seal by the Secretary or an Assistant Secretary. Any person or persons designated in the manner above stated as the proxy or proxies of the Corporation shall have full right, power, and authority to vote the share or shares of stock issued by the other corporation and owned by the Corporation the same as the share might be voted by the Corporation.

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Section 8.07 Corporate Seal. The corporate seal of the Corporation shall be circular in form and mounted on a metal die, suitable for impressing the same on paper. About the upper periphery of the seal shall appear the words "Hillenbrand, Inc.," and about the lower periphery of the seal shall appear the word "Indiana." In the center of the seal shall appear the words "Corporate Seal." No instrument executed by any of the officers of the Corporation shall be invalid or ineffective in any respect by reason of the fact that the corporate seal has not been affixed to it.

Section 8.08 Control Share Acquisitions. The provisions of Chapter 42 of the Indiana Business Corporation Law, Ind. Code §23-1-42-1 et seq., shall not apply to control share acquisitions of shares of the Corporation.

Section 8.09 Amendments. Except as otherwise expressly provided in the Corporation's articles of incorporation or by the Act, this Code of By-laws and any bylaw herein may be made, altered, amended or repealed by either (a) the Board of Directors by the affirmative vote of a number of Directors equal to a majority of the number who would constitute a full Board of Directors at the time of such action, or (b) the affirmative vote, at a meeting of shareholders, of at least a majority of the votes entitled to be cast by the holders of the outstanding shares of all classes of stock of the Corporation entitled to vote generally in the election of Directors, considered for purposes of this Section 8.09 as a single voting group, provided, however, that no bylaw may be adopted that is inconsistent with the Act.

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**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 ended March 31, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Kimberly K. Ryan, 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/ Kimberly K. Ryan

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Kimberly K. Ryan  
President and Chief Executive Officer  
April 30, 2024

**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.**

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**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 ended March 31, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Robert M. VanHimbergen, 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/ Robert M. VanHimbergen

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Robert M. VanHimbergen

Senior Vice President and Chief Financial Officer

April 30, 2024

**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.**

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AMENDED AND RESTATED CODE OF BY-LAWS OF HILLENBRAND, INC.  
(as adopted by the Board of Directors effective on ~~November 14, 2023~~ April 26, 2024)

ARTICLE 1. Definition of Certain Terms

Section 1.01 Corporation. The term “Corporation,” as used in this Code of By-laws, shall mean and refer to Hillenbrand, Inc., a corporation duly organized and existing under and pursuant to the provisions of The Indiana Business Corporation Law, as amended.

Section 1.02 Common Stock; Preferred Stock. The term “Common Stock,” as used in this Code of By-laws, shall mean and refer to the shares of Common Stock, without par value, which the Corporation is authorized to issue under and pursuant to the provisions of the articles of incorporation of the Corporation. The term “Preferred Stock,” as used in this Code of By-laws, shall mean and refer to the shares of Preferred Stock, without par value, which the Corporation is authorized to issue under and pursuant to the provisions of the articles of incorporation of the Corporation.

Section 1.03 Shareholder. The term “shareholder,” as used in this Code of By-laws, shall mean and refer to a person in whose name shares of Common Stock or Preferred Stock are registered in the records of the Corporation.

Section 1.04 Board of Directors. The term “Board of Directors,” as used in this Code of By-laws, shall mean and refer to the board of directors of the Corporation. The term “Director,” as used in this Code of By-laws, shall mean and refer to a director of the Corporation.

Section 1.05 Officers. The terms “President,” “Chief Executive Officer,” “Chief Financial Officer,” “Vice President,” “Executive Vice President,” “Senior Vice President,” “Secretary,” “Assistant Secretary,” “Treasurer” and “Assistant Treasurer,” as used in this Code of By-laws, shall mean and refer, respectively, to the individuals holding those offices of the Corporation in their capacities as such.

Section 1.06 Act. The term “Act,” as used in this Code of By-laws, shall mean and refer to The Indiana Business Corporation Law, as now in force or hereafter amended.

Section 1.07 Principal Office. References in this Code of By-laws to the Principal Office of the Corporation are to the Corporation’s “principal office,” as such term is defined in the Act.

ARTICLE 2. Shares of the Corporation

Section 2.01 Certificated and Uncertificated Shares; Form of Certificates. Shares of the Corporation may but need not be represented by certificates. The Board of Directors may authorize the issue of some or all of the shares of any or all classes or series of shares of the Corporation without certificates. Certificates representing shares of the Corporation shall be in such form as is prescribed by law and approved by the Board of Directors.

Section 2.02 Transfer of Shares. Shares of the Corporation shall be transferable in the manner prescribed by applicable law and in this Code of By-laws. Transfer of shares of the Corporation shall be made only on the share transfer books of the Corporation and, in the case of certificated shares, only by the person named in the certificate or by such person’s attorney

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lawfully constituted in writing and upon the surrender to the Corporation or its transfer agent of the certificate for such shares, properly endorsed for transfer, and upon payment of all necessary transfer taxes; or, in the case of uncertificated shares, upon receipt of proper transfer instructions from the registered owner of such shares or by such person's attorney lawfully constituted in writing and upon payment of all necessary transfer taxes and compliance with appropriate procedures for transferring shares in uncertificated form; provided, however, that such surrender and endorsement, compliance, or payment of taxes shall not be required in any case in which the officers of the Corporation shall determine to waive such requirement. With respect to certificated shares of the Corporation, every certificate exchanged, returned, or surrendered to the Corporation shall be marked "Cancelled," with the date of cancellation, by the Secretary or an Assistant Secretary or the Corporation's transfer agent. No transfer of shares of the Corporation shall be valid as against the Corporation for any purpose until it shall have been entered in the share transfer books of the Corporation.

Section 2.03 Lost, Destroyed or Stolen Share Certificates. The Board of Directors or the Secretary may direct a new share certificate or uncertificated shares to be issued in place of any share certificate theretofore issued by the Corporation alleged to have been lost, stolen, or destroyed upon the making of an affidavit of that fact by the owner of the allegedly lost, stolen, or destroyed certificate. When authorizing such issue of a new share certificate or uncertificated shares, the Board of Directors or the Secretary may, in its discretion and as a condition precedent to the issuance thereof, require the owner of the lost, stolen, or destroyed certificate, or the owner's legal representative, to give the Corporation a bond sufficient to indemnify it against any claim that may be made against the Corporation with respect to the share certificate alleged to have been lost, stolen, or destroyed or the issuance of such new share certificate or uncertificated shares..

Section 2.04 Transfer Agents and Registrars. The Board of Directors may appoint, or authorize any officer or officers to appoint, one or more transfer agents, one or more registrars, and one or more agents to act in the dual capacity of transfer agent and registrar with respect to the shares of the Corporation.

### ARTICLE 3. The Shareholders

Section 3.01 Annual Meeting. The annual meeting of shareholders shall be held on such date and at such time as may be designated from time to time by the Board of Directors for the purposes of electing individuals to the Board of Directors in accordance with Section 4.03, acting upon such other questions or matters as are proposed to be submitted to a vote at the meeting and acting upon such further questions or matters as may properly come before the meeting. The annual meeting shall be called by the Board of Directors.

Section 3.02 Special Meeting. A special meeting of shareholders may be called at any time by the Board of Directors or by the President and shall be called by the Board of Directors, the President, or the Secretary if there is delivered to the Secretary a written demand for a special meeting signed by shareholders holding not less than one-fourth (1/4) of the voting power of all of the shares of the Corporation entitled to vote on the business for which the meeting is being called (determined as of the date upon which such demand is received by the Secretary), which written demand sets forth a concise statement of the questions or matters proposed to be submitted to a vote at the meeting. At any special meeting of shareholders, only business within

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the purpose or purposes described in the notice of such meeting given in accordance with Section 3.05 may be conducted.

Section 3.03 Place of Meetings. Meetings of the shareholders may be held at the Principal Office of the Corporation or any other place, within or without the State of Indiana, or may be held solely by remote communication, in each case as determined by the Board of Directors.

Section 3.04 Record Date. For the purpose of determining the shareholders entitled to notice of, or to vote at, any meeting of shareholders, for the purpose of determining the shareholders entitled to receive payment of any dividend or other distribution, or in order to make a determination of the shareholders for any other corporate purpose, the Board of Directors may fix in advance a date as the record date for that determination of the shareholders, that date, in any case, to be not more than seventy (70) days and, in case of a meeting of shareholders, not less than ten (10) days, before the date upon which the particular action, requiring that determination of the shareholders, is to be taken. If no record date is fixed by the Board of Directors for the determination of the shareholders entitled to notice of, or to vote at, a meeting of shareholders, then the date ten (10) days before the date of the meeting shall be the record date for the meeting. If no record date is fixed by the Board of Directors for the determination of the shareholders entitled to receive payment of a dividend or other distribution, then the date upon which the resolution of the Board of Directors declaring the dividend or other distribution is adopted shall be the record date for the determination of the shareholders. When a determination of the shareholders entitled to notice of, or to vote at, a meeting of shareholders has been made, the determination shall apply to any adjournment of the meeting, except as otherwise required by law. If no record date is fixed by the Board of Directors for the determination of the shareholders entitled to demand a special meeting pursuant to Section 3.02, the record date for determining shareholders entitled to demand a special meeting pursuant to Section 3.02 is the date the written demand contemplated by Section 3.02 is received by the Secretary. The shareholders upon any record date shall be the shareholders as of the close of business on that record date.

Section 3.05 Notice of Meetings. Not less than ten (10) days and not more than sixty (60) days before the date of each annual or special meeting of shareholders, the Corporation shall notify in writing (which may include electronic transmission) the shareholders entitled to notice of or to vote at such meeting of the date, time, and place, if such meeting will be located at a place, of such meeting and the means of remote communication, if any, by which shareholders may be considered present in person and vote at such meeting. If such meeting is a special meeting or if otherwise required under the Act or the Corporation's articles of incorporation, the notice of such meeting shall include a description of the purpose or purposes for which such meeting is called.

Notice of a meeting of shareholders pursuant to this Section 3.05 may be communicated (1) in person; (2) by telegraph, teletype, or other form of wire or wireless communication; (3) by first class, certified, or registered United States mail, postage prepaid or by private carrier service, fees prepaid or billed to the sender; (4) if the shares to which such notice relates are of a class of securities that is registered under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the notice and the related proxy or information statement required under the Exchange Act are available to the public, without cost or password, through the Corporation's Internet web site not fewer than thirty (30) days before such meeting, by any class

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or form of mail through the United States Postal Service, postage prepaid; (5) electronically; or (6) in any other manner permitted by the Act.

A shareholder may at any time waive notice of a meeting of shareholders if the waiver is in writing and is delivered to the Corporation for inclusion in the minutes or filing with the Corporation's corporate records. A shareholder's attendance at a meeting, or participation by remote communication in a meeting in accordance with this Code of By-laws, whether in person or by proxy, (a) waives objection to lack of notice or defective notice of such meeting, unless such shareholder or such shareholder's proxy at the beginning of such meeting objects to holding such meeting or transacting business at such meeting and (b) waives objection to consideration of a particular matter at such meeting that is not within the purpose or purposes described in the meeting notice, unless such shareholder or such shareholder's proxy objects to considering the matter when it is presented. Each shareholder that has, in the manner above provided, waived notice or objection to notice of a shareholders' meeting shall be conclusively presumed to have been given due notice of such meeting, including the purpose or purposes thereof.

If an annual or special shareholders' meeting is adjourned to a different date, time, or place, notice need not be given of the new date, time, or place, if any, if the new date, time, or place and the means of remote communication, if any, by which shareholders may be deemed to be present in person and vote at the adjourned meeting are announced at such meeting before adjournment, unless a new record date is or must be established for the adjourned meeting.

Section 3.06 List of Shareholders. The Secretary shall, not less than five (5) business days before the date of each meeting of shareholders, prepare, or cause to be prepared, a complete alphabetical list of the names of the shareholders entitled to notice of such meeting. Such list shall be arranged by voting group (and within each voting group by class or series of shares) and shall show the address of and number of shares of the Corporation held by each of those shareholders (determined as of the record date for such meeting). The Secretary shall cause such list to be available for inspection by any shareholder entitled to vote at such meeting, beginning five (5) business days before the date of such meeting and continuing through such meeting, at the Principal Office of the Corporation. The Secretary shall also cause such list to be made available at such meeting, and any shareholder, or such shareholder's agent or attorney authorized in writing, shall be entitled to inspect such list at any time during such meeting or any adjournment thereof. If such meeting is held solely by means of remote communication, such list shall be open to examination by any shareholder at any time during such meeting on a reasonably accessible electronic network, and information required to access such list shall be provided with the notice of such meeting.

Section 3.07 Quorum at Meetings. At any meeting of shareholders, the presence, in person or by proxy, of shareholders holding a majority of the votes entitled to be cast at the meeting (determined as of the record date for the meeting) shall constitute a quorum. In the absence of a quorum at a meeting of shareholders, the chairperson of such meeting or the holders of a majority of the shares entitled to vote present in person or by proxy may adjourn such meeting from time to time, until a quorum shall be present. At any such adjourned meeting at which a quorum may be present, any business may be transacted that might have been transacted at the meeting as originally called. Once a share is represented for any purpose at a meeting of shareholders, it is deemed present for quorum purposes for the remainder of such meeting and for any adjournment of such meeting unless a new record date is or must be set for that adjourned meeting.

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Section 3.08 Voting at Meetings. Any action required or permitted to be taken at any meeting of shareholders with respect to any question or matter other than the election of Directors shall be taken pursuant to a vote of the duly authorized, issued and outstanding shares of the Corporation entitled to vote at the meeting (determined as of the record date for the meeting) present, in person or by proxy, at a meeting at which a quorum is present, in which the votes cast favoring the action exceed the votes cast opposing the action, unless a greater number of affirmative votes is required by the provisions of the Act, the articles of incorporation of the Corporation or other applicable legal or regulatory requirement, in which event the action shall be taken only pursuant to the affirmative vote of the greater number. Directors shall be elected as provided in Section 4.03.

Section 3.09 Voting by Proxy. A shareholder may vote such shareholder's shares at any meeting of shareholders either in person or by proxy. A shareholder may authorize a person or persons to act for such shareholder as proxy. Each proxy shall be in the form of a written instrument executed by the shareholder or a duly authorized agent of the shareholder, or may be transmitted by electronic submission as authorized by the Corporation. No proxy shall be voted at any meeting unless and until it has been filed with the Secretary. Any shareholder soliciting proxies from other shareholders must use a proxy card color other than white, which shall be reserved for the exclusive use by the Board of Directors.

Section 3.10 Notice of Shareholder Business. (a) At any meeting of shareholders, only such business may be conducted as shall have been properly brought before the meeting, and as shall have been determined to be lawful and appropriate for consideration by shareholders at the meeting. To be properly brought before a meeting business must be (i) specified in the notice of meeting given in accordance with Section 3.05, (ii) otherwise properly brought before the meeting by or at the direction of the Board of Directors or the Chairperson of the Board or the President, or (iii) otherwise properly brought before the meeting by a shareholder (A) that is a shareholder of record on the date of the giving by such shareholder of the notice provided for in this Section 3.10 and on the record date for the determination of shareholders entitled to notice of and to vote at the meeting, (B) that is entitled to vote on such business at the meeting, and (C) that complies with the notice procedures set forth in this Section 3.10. For business (other than nominations of persons for election to the Board of Directors, which must comply with Section 3.11) to be properly brought before a meeting by a shareholder pursuant to clause (iii) above, the shareholder must have given timely notice thereof in proper written form to the Secretary at the Principal Office of the Corporation.

(b) To be timely, a shareholder's notice must be delivered to or mailed and received by the Secretary at the Principal Office of the Corporation not later than 100 days prior to the anniversary of the date of the immediately preceding annual meeting which was specified in the initial formal notice of such meeting (except that, if the date of the forthcoming annual meeting is more than 30 days after such anniversary date, such written notice will be timely if received by the Secretary by the later of 100 days prior to the forthcoming meeting date and the close of business 10 days following the date on which the Corporation first makes public disclosure of the meeting date). In no event shall the adjournment or postponement of a meeting of shareholders, or the public announcement of such an adjournment or postponement, commence a new time period (or extend any time period) for the giving of a shareholder's notice as provided above in this Section 3.10(b).

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To be in proper written form, a shareholder's notice to the Secretary must set forth the following information:

(i) as to each matter such shareholder proposes to bring before the meeting, a brief description of the business desired to be brought before the meeting and the proposed text of any proposal regarding such business (including the text of any resolutions proposed for consideration and, if such business includes a propose to amend this Code of By-laws, the text of the proposed amendment), and the reasons for conducting such business at the meeting;

(ii) a representation that such shareholder intends to appear in person or by proxy at the meeting to bring such business before the meeting; and

(iii) as to such shareholder and the beneficial owner, if any, on whose behalf such business is proposed to be brought before the meeting or any such proposal regarding such business is being made, (A) the name and address of such person; (B) (1) the class or series and number of all shares of the Corporation that are owned beneficially or of record by such person and any affiliates or associates of such person, (2) the name of each nominee holder of shares of the Corporation owned beneficially but not of record by such person or any affiliates or associates of such person, and the number of such shares of the Corporation held by each such nominee holder, (3) whether and the extent to which any derivative instrument, swap, option, warrant, short interest, hedge, or profit interest or other transaction has been entered into by or on behalf of such person, or any affiliates or associates of such person, with respect to shares of the Corporation, and (4) whether and the extent to which any other transaction, agreement, arrangement or understanding (including, without limitation, any short position or any borrowing or lending of shares of the Corporation) has been entered into or made by or on behalf of such person, or any affiliates or associates of such person, the effect or intent of any of the foregoing being to mitigate loss to, or to manage risk or benefit of share price changes for, such person, or any affiliates or associates of such person, or to increase or decrease the voting power or pecuniary or economic interest of such person, or any affiliates or associates of such person, with respect to any shares of the Corporation; (C) a description of all agreements, arrangements or understandings (whether written or oral) between or among such person, or any affiliates or associates of such person, and any other person or persons (including their names) in connection with or relating to (I) the Corporation or (II) such business or any such proposal regarding such business, and any material interest in, or anticipated benefit from, such business or proposal on the part of such person or any affiliates or associates of such person; and (D) any other information relating to such person that would be required to be disclosed in a proxy statement or other filing required to be made in connection with the solicitation of proxies by such person with respect to such business proposed to be brought by or on behalf of such person before the meeting pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder.

(c) A shareholder giving notice of business proposed to be brought before a meeting of shareholders pursuant to this Section 3.10 shall update and supplement such notice, if necessary, so that the information provided or required to be provided in such notice pursuant to this Section 3.10 shall be true and correct as of the record date for determining the shareholders entitled to receive notice of such meeting, and such update and supplement shall be in writing and shall be delivered to or mailed and received by the Secretary at the Principal Office of the

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Corporation not later than five (5) business days after the record date for determining the shareholders entitled to receive notice of such meeting. Such shareholder shall update and supplement such notice thereafter in writing delivered to or mailed to and received by the Secretary at the Principal Office of the Corporation to reflect any change in such information within two (2) business days of any change in such information and, in any event, as of the close of business on the day preceding the date of such meeting.

(d) If the chairperson of a meeting of shareholders determines that business was not properly brought before such meeting in accordance with this Code of By-laws, or that business was not lawful or appropriate for consideration by shareholders at such annual meeting, he or she shall so declare to such meeting, and any such business shall not be transacted.

(e) Nothing contained in this Section 3.10 shall be deemed to affect any rights of shareholders to request inclusion of proposals in the Corporation's proxy statement pursuant to Rule 14a-8 under the Exchange Act (or any successor provision of law).

Section 3.11 Notice of Shareholder Nominees. (a) Only persons who are nominated in accordance with the procedures set forth in this Section 3.11 shall be eligible for election to the Board of Directors, except as may be otherwise provided in the articles of incorporation of the Corporation with respect to the right of holders of shares of Preferred Stock to nominate and elect a specified number of Directors in certain circumstances. Nominations of persons for election to the Board of Directors may be made at any meeting of shareholders (i) by or at the direction of the Board of Directors or (ii) by any shareholder (A) that is a shareholder of record on the date of the giving by such shareholder of the notice provided for in this Section 3.11 and on the record date for the determination of shareholders entitled to notice of and to vote at the meeting, (B) that is entitled to vote for the election of members of the Board of Directors at the meeting, and (C) that complies with the notice procedures set forth in this Section 3.11. The number of nominees that a shareholder may nominate for election at the annual meeting (or in the case of a shareholder giving the notice on behalf of a beneficial owner, the number of nominees that a shareholder may nominate for election at the annual meeting on behalf of the beneficial owner) shall not exceed the number of Directors to be elected by shareholders generally at such annual meeting.

(b) In addition to any other applicable requirements, for nominations to be made by a shareholder, the shareholder must have given timely notice thereof in proper written form to the Secretary at the Principal Office of the Corporation, and any nominee must satisfy the qualifications established by the Board of Directors from time to time as contained in the proxy statement of the Corporation for the immediately preceding annual meeting or posted on the Internet web site of the Corporation.

To be timely, a shareholder's notice of nomination must be delivered to or mailed and received by the Secretary at the Principal Office of the Corporation (i) in the case of an annual meeting, not later than 100 days prior to the anniversary of the date of the immediately preceding annual meeting which was specified in the initial formal notice of such meeting (except that, if the date of the forthcoming annual meeting is more than 30 days after such anniversary date, such written notice will be timely if received by the Secretary by the later of 100 days prior to the forthcoming meeting date and the close of business 10 days following the date on which the Corporation first makes public disclosure of the meeting date) and (ii) in the case of a special meeting, the close of business on the tenth day following the date on which the Corporation first makes public disclosure of the meeting date.

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To be in proper written form, a shareholder's notice to the Secretary must set forth the following information:

(i) as to each person whom the shareholder proposes to nominate for election as a Director:

(A) the name, age, business address, and residence address of such person;

(B) the principal occupation or employment of such person;

(C) (1) the class or series and number of all shares of the Corporation that are owned beneficially or of record by such person and any affiliates or associates of such person, (2) the name of each nominee holder of shares of the Corporation owned beneficially but not of record by such person or any affiliates or associates of such person, and the number of such shares of the Corporation held by each such nominee holder, (3) whether and the extent to which any derivative instrument, swap, option, warrant, short interest, hedge, or profit interest or other transaction has been entered into by or on behalf of such person, or any affiliates or associates of such person, with respect to shares of the Corporation, and (4) whether and the extent to which any other transaction, agreement, arrangement or understanding (including, without limitation, any short position or any borrowing or lending of shares of the Corporation) has been made by or on behalf of such person, or any affiliates or associates of such person, the effect or intent of any of the foregoing being to mitigate loss to, or to manage risk or benefit of share price changes for, such person, or any affiliates or associates of such person, or to increase or decrease the voting power or pecuniary or economic interest of such person, or any affiliates or associates of such person, with respect to any shares of the Corporation;

(D) such person's written representation and agreement that such person (1) is not and will not become a party to any agreement, arrangement, or understanding with, and has not given any commitment or assurance to, any person or entity as to how such person, if elected as a Director, will act or vote on any issue or question, (2) is not and will not become a party to any agreement, arrangement or understanding with any person or entity other than the Corporation with respect to any direct or indirect compensation, reimbursement, or indemnification in connection with service or action as a Director that has not been disclosed to the Corporation in such representation and agreement, (3) intends, if elected as a Director, to serve as a Director for the term for which he or she is so elected, and (4) in such person's individual capacity, would be in compliance and will comply, if elected as a Director, with all applicable publicly disclosed confidentiality, corporate governance, conflict of interest, Regulation FD, and stock ownership and trading policies and guidelines of the Corporation and all applicable publicly disclosed codes of conduct and ethics of the Corporation; ~~and~~

(E) any other information relating to such person that would be required to be disclosed in a proxy statement or other filing required to be made in

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connection with solicitations of proxies for election of Directors at the meeting pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder; and

(ii) as to such shareholder, and the beneficial owner, if any, on whose behalf such nomination is to be made:

(A) the name and record address of such shareholder and the name and principal place of business of such beneficial owner;

(B) (1) the class or series and number of all shares of the Corporation that are owned beneficially or of record by such person and any affiliates or associates of such person, (2) the name of each nominee holder of shares of the Corporation owned beneficially but not of record by such person or any affiliates or associates of such person, and the number of shares of the Corporation held by each such nominee holder, (3) whether and the extent to which any derivative instrument, swap, option, warrant, short interest, hedge, or profit interest or other transaction has been entered into by or on behalf of such person, or any affiliates or associates of such person, with respect to shares of the Corporation, and (4) whether and the extent to which any other transaction, agreement, arrangement or understanding (including, without limitation, any short position or any borrowing or lending of shares of the Corporation) has been made by or on behalf of such person, or any affiliates or associates of such person, the effect or intent of any of the foregoing being to mitigate loss to, or to manage risk or benefit of share price changes for, such person, or any affiliates or associates of such person, or to increase or decrease the voting power or pecuniary or economic interest of such person, or any affiliates or associates of such person, with respect to any shares of the Corporation;

(C) a description of (1) all agreements, arrangements, or understandings (whether written or oral) between or among such person, or any affiliates or associates of such person, and any proposed nominee, or any affiliates or associates of such proposed nominee, (2) all agreements, arrangements, or understandings (whether written or oral) between or among such person, or any affiliates or associates of such person, and any other person or persons (including their names) pursuant to which the nomination(s) are being made by such person, or otherwise relating to the Corporation or their ownership of shares of the Corporation, and (3) any material interest of such person, or any affiliates or associates of such person, in such nomination, including any anticipated benefit therefrom to such person or any affiliates or associates of such person;

(D) a representation that such shareholder intends to appear in person or by proxy at the meeting to nominate the persons named in such notice;

(E) a representation whether the shareholder, the beneficial owner, if any, on whose behalf the nomination or other business proposal is being made.

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any control person, or any other participant (as defined in Item 4 of Schedule 14A under the Exchange Act) will engage in a solicitation with respect to such nomination or other business proposal and, if so, the name of each participant in such solicitation; and a statement: confirming (1) whether, the shareholder, beneficial owner, or any control person intends, or is part of a group that (x) in the case of a nomination, intends to solicit proxies or votes in support of such director nominees or nomination in accordance with Rule 14a-19 under the Exchange Act, including but not limited to, delivering a proxy statement and form of proxy or otherwise soliciting at least the percentage of the voting power of all of the shares of the stock of the Corporation entitled to vote in the election of directors required by Rule 14a-19, and (y) in the case of a business proposal, intends to deliver a proxy statement and form of proxy or otherwise solicit at least the percentage of voting power of all of the shares of stock of the Corporation entitled to vote on such proposal required under applicable law to approve the proposal; and (2) whether or not any such shareholder, beneficial owner, or any control person intends to otherwise solicit proxies from shareholders in support of such nomination or other business proposal;

(F) the names and addresses of all other shareholders (including beneficial and record owners and control persons) known by the nominating shareholder to support financially the nomination or other business proposal, and to the extent known, the class and number of all shares of the Corporation's capital stock owned beneficially or of record by such other stockholders (including beneficial and record owners and control persons); and

(G) any other information relating to such person that would be required to be disclosed in a proxy statement or other filing required to be made in connection with the solicitation of proxies for election of Directors at the meeting pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder;

and must be accompanied, for each proposed nominee to which such notice relates, by a written consent of such proposed nominee to being named in ~~the Corporation's~~ any proxy materials as a nominee and to serving as a Director if elected and a written questionnaire (the form of which questionnaire shall be provided by the Secretary upon written request), completed and duly executed by such proposed nominee, with respect to the background and qualification of such proposed nominee.

In addition to the information required or requested pursuant to the immediately preceding paragraph or any other provision of this Code of By-laws, the Corporation may require any nominee or proposed nominee for election to the Board of Directors to furnish any other information (x) that may reasonably be requested by the Corporation to determine whether such nominee or proposed nominee would be independent under the rules and listing standards of the securities exchanges upon which shares of the Corporation are listed or traded, any applicable rules of the U.S. Securities and Exchange Commission or any publicly disclosed standards used

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by the Board of Directors in determining and disclosing the independence of the Directors; (y) that could be material to a reasonable shareholder's understanding of the independence, or lack thereof, of such nominee or proposed nominee; or (z) that may reasonably be requested by the Corporation to determine the eligibility of such nominee or proposed nominee to serve as a Director.

(c) A shareholder giving notice of any nomination of persons for election to the Board of Directors proposed to be made at a meeting of shareholders pursuant to this Section 3.11 shall update and supplement such notice, if necessary, so that the information provided or required to be provided in such notice pursuant to this Section 3.11 shall be true and correct as of the record date for determining the shareholders entitled to receive notice of such meeting, and such update and supplement shall be delivered to or be mailed to and received by the Secretary at the Principal Office of the Corporation not later than five (5) business days after the record date for determining the shareholders entitled to receive notice of such meeting. Such shareholder shall update and supplement such notice thereafter in writing delivered to or mailed to and received by the Secretary at the Principal Office of the Corporation to reflect any change in such information within two (2) business days of any change in such information and, in any event, as of the close of business on the day preceding the date of such meeting.

(d) No person shall be eligible for election as a Director unless nominated in accordance with the procedures set forth in this Section 3.11, including, without limitation, compliance by such person with any requirement to furnish information pursuant to the last paragraph of Section 3.11(b). If any shareholder provides notice pursuant to Rule 14a-19 under the Exchange Act, such shareholder shall deliver to the Corporation, no later than five (5) business days prior to the applicable meeting (or any adjournment, postponement, or rescheduling thereof), reasonable documentary evidence (as determined by the Corporation or one of its representatives in good faith) that it has met all of the applicable requirements of Rule 14a-19 under the Exchange Act. Without limiting the other provisions and requirements of this Section 3.11, unless otherwise required by law, if any shareholder provides such notice and either (A) fails to comply with the requirements of Rule 14a-19 under the Exchange Act, or (B) fails to timely provide reasonable evidence of such compliance as required by this Section 3.11(d), then the shareholder's nomination of each such proposed nominee shall be disregarded, notwithstanding that the nominee is included as a nominee in the Corporation's proxy statement, notice of meeting, or other proxy materials for any annual meeting (or any supplement thereto) and the Corporation shall disregard any proxies or votes solicited for such stockholder's nominees. If the chairperson of a meeting of shareholders determines that a nomination of a person for election to the Board of Directors at such meeting was not made in accordance with such procedures and representations, such chairperson shall declare to such meeting that such nomination was defective, and such defective nomination is invalid and shall be disregarded, with no vote taken with respect to such nomination (notwithstanding any proxies with respect to such nomination having been received by the Corporation).

Section 3.12 Conduct of Meetings. At each meeting of shareholders, the Chairperson of the Board or, in the absence of the Chairperson of the Board, the Vice Chairperson of the Board or, in the absence of the Vice Chairperson of the Board, such person as may be appointed by the Board of Directors to preside at such meeting shall preside as the chairperson of such meeting.

The Board of Directors may adopt such rules and regulations for the conduct of any meeting of shareholders as it shall deem appropriate. Except to the extent inconsistent with this

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Code of By-laws or such rules and regulations as adopted by the Board of Directors, the chairperson of the meeting of shareholders shall have the right and authority to convene and to adjourn the meeting (whether or not a quorum is present), to prescribe such rules, regulations and procedures, to decide questions relating to the conduct of the meeting, and to do all such acts as, in the judgment of such chairperson, are appropriate for the proper conduct of the meeting. Such rules, regulations or procedures, whether adopted by the Board of Directors or prescribed by the chairperson of the meeting of shareholders, may include, without limitation, the following: (i) the establishment of an agenda or order of business for the meeting, (ii) rules and procedures for maintaining order at the meeting and the safety of those present, (iii) limitations on attendance at or participation in the meeting to shareholders, their duly authorized and constituted proxies or such other persons as the chairperson of the meeting shall determine, (iv) restrictions on entry to the meeting after the time fixed for the commencement thereof, (v) limitations on the time allotted to questions or comments by participants, and (vi) restrictions on the use of mobile phones, audio or video recording devices and similar devices at the meeting. Unless and to the extent determined by the Board of Directors or the chairperson of the meeting, a meeting of shareholders shall not be required to be held in accordance with the rules of parliamentary procedure or any other rules of procedure or conduct.

The chairperson of a meeting of shareholders may adjourn such meeting from time to time, regardless of whether a quorum is present. Any previously scheduled meeting of shareholders may be postponed by resolution of the Board of Directors, or by any officer or Director designated by the Board of Directors, upon public notice given prior to the time previously scheduled for such meeting.

#### ARTICLE 4. The Board of Directors

Section 4.01 Number of Members. The Board of Directors shall consist of no fewer than seven (7) members and no more than thirteen (13) members, as fixed from time to time by resolution of the Board of Directors.

Section 4.02 Qualification of Members. Each member of the Board of Directors shall be an adult individual. Members of the Board of Directors need not be shareholders of the Corporation and need not be residents of the State of Indiana or citizens of the United States of America.

Section 4.03 Election of Members; Classes of Directors; Terms; Vote Required. The members of the Board of Directors shall be elected by the shareholders at the annual meeting of shareholders, at a special meeting of shareholders called for that purpose or by the unanimous written consent of the shareholders, except that a majority of the duly elected and qualified members of the Board of Directors then occupying office may fill any vacancy in the membership of the Board of Directors resulting from death, resignation, retirement, disqualification, removal from office or other cause, or caused by an increase in the number of the members of the Board of Directors.

The members of the Board of Directors shall be divided into three classes, each having one-third of the total number of members of the Board of Directors or as near to one-third of such number as may be possible, with the difference between the number of Directors in any class and the number of Directors in any other class not exceeding one. If the number of Directors is changed, any increase or decrease shall be apportioned among the classes as determined by the Board of Directors, provided that (i) in no case will a decrease in the number

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of Directors shorten the term of any incumbent Director and (ii) any such increase or decrease shall be apportioned such that each class has one-third of the total number of members of the Board of Directors or as near to one-third of such number as may be possible, with the difference between the number of Directors in any class and the number of Directors in any other class not exceeding one.

At each annual meeting of shareholders, the terms of all of the members of one class of Directors shall expire and Directors shall be elected to succeed the members of such class for three-year terms expiring at the third succeeding annual meeting of shareholders. A Director elected by the Board of Directors to fill any vacancy on the Board of Directors shall be elected for a term expiring at the next succeeding annual meeting of shareholders, regardless of the class to which such Director is elected, and at such next annual meeting of shareholders, a Director shall be elected to succeed such Director for a term of one, two, or three years expiring at the next annual meeting of shareholders at which full three-year terms of members of such Director's class will expire. Except as otherwise provided below, each member of the Board of Directors shall serve as such throughout the term for which he or she is elected and until his or her successor is duly elected and qualified.

Unless the articles of incorporation of the Corporation provide otherwise, Directors elected at a meeting of shareholders shall be elected to the Board of Directors if a majority of the votes cast by the shares entitled to vote in the election at a meeting of shareholders at which a quorum is present are cast in favor of a nominee's election; provided, however, that, if the number of nominees for Director exceeds the number of Directors to be elected, Directors shall be elected by a plurality of the votes cast by the shares entitled to vote in the election at a meeting of shareholders at which a quorum is present. If an incumbent Director nominee fails to receive the required vote, the Director's term shall end at the annual meeting at which he or she failed to receive the required vote. If a Director's term ends as described in the immediately preceding sentence, then the Board of Directors may fill the resulting vacancy as provided in this Section 4.03, or may decrease the size of the Board of Directors pursuant to Section 4.01.

**Section 4.04 Removal of Members.** Any Director, or the entire Board of Directors, may be removed from office at any time, but only for cause and only by the affirmative vote of the holders of at least two-thirds (2/3) of the voting power of all of the shares of the Corporation entitled to vote generally in the election of Directors, voting together as a single class.

**Section 4.05 Resignations of Members.** Any member of the Board of Directors may resign at any time, with or without cause, by delivering written notice of his or her resignation to the Board of Directors. The resignation shall take effect at the time specified in the written notice or upon receipt by the Board of Directors, as the case may be, and, unless otherwise specified in the written notice, the acceptance of the resignation shall not be necessary to make it effective.

**Section 4.06 Annual Meeting; Regular Meetings.** The Board of Directors shall hold its annual meeting immediately following the annual meeting of shareholders for the purposes of electing individuals to each of the offices of the Corporation and acting upon such other questions or matters as may properly come before the meeting. The Board of Directors may provide by resolution for the holding of regular meetings in addition to its annual meeting.

**Section 4.07 Special Meetings.** Special meetings of the Board of Directors may be called by the Chairperson of the Board, the Vice Chairperson of the Board, or any three (3) members of the Board of Directors, excluding any Director (other than the President) who has not been determined to be an independent member of the Board of Directors.

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Section 4.08 Place of Meetings; Participation Other Than in Person. Unless otherwise provided by resolution of the Board of Directors, the annual meeting of the Board of Directors shall be held at the same place at which the annual meeting of shareholders is held. Special meetings of the Board of Directors and regular meetings of the Board of Directors other than the annual meeting may be held at the Principal Office of the Corporation or at any other place, within or without the State of Indiana. The Board of Directors may permit any or all Directors to participate in any meeting of the Board of Directors by, or conduct any such meeting through the use of, any means of communication by which all Directors participating may simultaneously hear each other during the meeting. A Director participating in a meeting of the Board of Directors by such means shall be deemed to be present in person at such meeting.

Section 4.09 Notice of Meetings. No notice of the annual meeting of the Board of Directors or of regular meetings of the Board of Directors other than the annual meeting shall be required. Notice of any special meeting of the Board of Directors stating the date, time, and place of such meeting shall be given to each Director not less than twenty-four (24) hours before such meeting or within such shorter interval before such meeting as the person or persons calling such meeting may deem necessary or appropriate under the circumstances. Such notice need not specify the purpose or purposes of such meeting and may be communicated in person (either in writing or orally); by telephone, telegraph, teletype, or other form of wire or wireless communication; by mail; electronically; or in any other manner permitted by the Act. If given by mail, such notice shall be mailed, addressed to the applicable Director's address listed in the most current records of the Corporation, by United States mail, postage prepaid, or by private carrier service, fees prepaid or billed to the Corporation, at least five (5) days (as evidenced by the postmark or private carrier receipt) prior to the scheduled time of such meeting.

Any Director may waive any notice required by the Act, the articles of incorporation of the Corporation or this Code of By-laws before or after the date and time stated in the notice. Except as provided in the next sentence, such waiver must be in writing, signed by the Director entitled to the notice, and filed with the minutes or corporate records of the Corporation. A Director's attendance at or participation in a meeting of the Board of Directors waives any required notice to such Director of such meeting unless such Director at the beginning of such meeting (or promptly upon such Director's arrival) objects to holding such meeting or transacting business at such meeting and does not thereafter vote for or assent to action taken at such meeting.

Section 4.10 Quorum at Meetings. At any annual meeting, other regular meeting or special meeting of the Board of Directors, the presence of a majority of the then duly elected and qualified members of the Board of Directors then occupying office shall constitute a quorum.

Section 4.11 Voting at Meetings. If a quorum is present when a vote is taken, the affirmative vote of a majority of the Directors present is the act of the Board of Directors, unless a greater number is required by the provisions of the Act, the articles of incorporation of the Corporation or this Code of By-laws.

Section 4.12 Action Without Meeting. Any action required or permitted to be taken at a meeting of the Board of Directors with respect to any question or matter may be taken without a meeting if the action is taken by all members of the Board of Directors and the action is evidenced by one (1) or more written consents describing the action taken, signed by each Director, delivered to the Secretary and included in the minutes or filed with the corporate

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records of the Corporation reflecting the action taken. Action taken under this Section 4.12 is effective when the last Director signs the consent unless (a) the consent specifies a different prior or subsequent effective date, in which case the consent is effective on that date, or (b) no effective date contemplated by the immediately-preceding clause (a) is designated and the action taken under this Section 4.12 is taken electronically as contemplated by the Uniform Electronic Transactions Act (Chapter 8 of Article 2 of Indiana Code Title 26), in which case the effective date is the date determined in accordance with the Uniform Electronic Transactions Act. A consent signed under this Section 4.12 has the effect of a meeting vote and may be described as such in any document. A Director's consent may be withdrawn by a revocation signed by the Director and delivered to the Corporation before the delivery to the Corporation of unrevoked written consents signed by all the Directors.

Section 4.13 The Chairperson of the Board. The Board of Directors may appoint a Chairperson of the Board from among the members of the Board of Directors. The Chairperson of the Board shall provide leadership and direction to the Board of Directors, shall provide advice and counsel to the President and other officers of the Corporation, shall preside at all meetings of the Board of Directors and at each meeting of shareholders as chairperson of such meeting of shareholders, and shall, in addition, have such further powers and perform such further duties as are specified in this Code of By-laws or as the Board of Directors may, from time to time, assign or delegate to the Chairperson of the Board.

Section 4.14 The Vice Chairperson. The Board of Directors may appoint a Vice Chairperson of the Board from among the members of the Board of Directors. The Vice Chairperson of the Board shall preside at all meetings of the Board of Directors in the absence of the Chairperson of the Board, shall preside at each meeting of shareholders as chairperson of such meeting of shareholders in the absence of the Chairperson of the Board, shall otherwise act in place of and carry out the responsibilities of the Chairperson of the Board if the Chairperson of the Board is absent or unable to act, shall assist the Chairperson of the Board in providing leadership and direction to the Board of Directors, shall, at the request of the Chairperson of the Board, provide advice and counsel to or otherwise assist the Chairperson of the Board in the conduct of the responsibilities of the Chairperson of the Board, and shall have such further powers and perform such further duties as are specified in this Code of By-laws or as the Board of Directors may, from time to time, assign or delegate to the Chairperson of the Board.

If at any time the person serving as Chairperson of the Board ceases to be the Chairperson of the Board for any reason, and prior to that time the Board of Directors has not appointed another member of the Board of Directors to succeed such person as Chairperson of the Board, the Vice Chairperson of the Board, at that time and without further action by the Board of Directors, shall become the Chairperson of the Board and shall serve in that capacity until he or she is replaced as Chairperson of the Board by the Board of Directors or ceases to be a member of the Board of Directors.

Section 4.15 Mandatory Classified Board Structure. The provisions of Indiana Code Section 23-1-33-6(c) shall not apply to the Corporation.

#### ARTICLE 5. Committees

Section 5.01 Creation; Powers. The Board of Directors may create one (1) or more committees and appoint members of the Board of Directors to serve on them. Any such

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committee may have one (1) or more members, who shall serve at the pleasure of the Board of Directors. The creation of such a committee and appointment of members to it must be effected by resolution of the Board of Directors approved by a majority of all the Directors in office at the time of such approval. Any such committee shall have and may exercise such of the powers and authority of the Board of Directors in the management of the business and affairs of the Corporation as may be provided in such resolution, in the articles of incorporation of the Corporation or this Code of By-laws, except that no such committee may take any of the actions specified in Section 23-1-34-6(e) of the Act.

Any such committee may authorize the seal of the Corporation to be affixed to all papers that may require it. In addition to and subject to the above, such committee or committees shall have such other powers and limitations of authority as may be determined from time to time by the Board of Directors.

Section 5.02 Procedure; Meetings; Quorum. Any committee created pursuant to Section 5.01 shall keep regular minutes of its actions and proceedings in a book provided for that purpose and report the same to the Board of Directors at its meeting next succeeding such action, shall fix its own rules or procedures, and shall meet at such times and at such place or places as may be provided by such rules, or by such committee or the Board of Directors. Should a committee fail to fix its own rules, the provisions of this Code of By-laws pertaining to the calling of meetings and conduct of business by the Board of Directors shall apply as nearly as may be possible. At every meeting of any such committee, the presence of a majority of all the members thereof shall constitute a quorum, and the affirmative vote of a majority of the members present shall be necessary for the adoption by it of any resolution.

Section 5.03 Substitution and Removal of Members; Vacancies. The Board of Directors may designate one or more Directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of such committee. The Board of Directors shall have the power at any time to remove any member(s) of a committee and to appoint other Directors in lieu of the person(s) so removed and shall also have the power to fill vacancies in a committee.

#### ARTICLE 6. The Officers

Section 6.01 Number of Officers. The officers of the Corporation shall consist of a President (who shall, as such, be the Chief Executive Officer of the Corporation, in accordance with Section 6.07), a Secretary and a Treasurer, and may, in addition, consist of one or more Executive Vice Presidents, Senior Vice Presidents or Vice Presidents, a Chief Financial Officer, one or more Assistant Secretaries, one or more Assistant Treasurers, and such other officers as may be determined by the Board of Directors. Any two or more offices may be held by the same person except that the offices of President and Secretary shall not be held by the same person.

Section 6.02 Qualifications of Officers. Each officer of the Corporation shall be an adult individual. The officers of the Corporation need not be shareholders and need not be residents of the State of Indiana or citizens of the United States of America.

Section 6.03 Election of Officers. The officers of the Corporation shall be elected by the Board of Directors at each annual meeting of the Board of Directors. Each officer shall serve as such until the next ensuing annual meeting of the Board of Directors and until his or her

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successor shall have been duly elected and shall have qualified, except as hereinafter provided. Each officer shall be deemed to have qualified as such upon his or her election.

Section 6.04 Removal of Officers. Any officer of the Corporation may be removed at any time, with or without cause, by the Board of Directors.

Section 6.05 Resignation of Officers. Any officer of the Corporation may resign at any time, with or without cause, by delivering written notice of his or her resignation to the Board of Directors, the Chairperson of the Board or the Secretary. The resignation shall take effect when such notice is delivered, unless such notice specifies a later effective date, and, unless otherwise specified in such notice, the acceptance of the resignation shall not be necessary to make it effective.

Section 6.06 Filling of Vacancies. Any vacancies in the offices of the Corporation because of death, adjudication of incompetency, resignation, removal or any other cause shall be filled for the unexpired portion of the term of that office by the Board of Directors.

Section 6.07 The President. The President shall be the Chief Executive Officer of the Corporation. The President shall be responsible for the active overall direction and administration of the affairs of the Corporation, subject, however, to the control of the Board of Directors. In general, the President shall have such powers and perform such duties as are incident to the office of the president and chief executive officer of a business corporation and shall, in addition, have such other and further powers and perform such other further duties as are specified in this Code of By-laws or as the Board of Directors may, from time to time, assign to or delegate to the President or the Chief Executive Officer. At the request of the President, any Vice President, Senior Vice President, or Executive Vice President may, in the case of absence or inability to act of the President, temporarily act in his or her place. In the case of the President's death or inability to act without having designated a Vice President, Senior Vice President, or Executive Vice President to act temporarily in his or her place, an officer of the Corporation so to perform the duties of the President shall be designated by the Board of Directors.

Section 6.08 The Vice Presidents. Each Vice President (if one or more Vice Presidents are elected) shall assist the Chairperson of the Board and the President in their duties and shall have such other powers and perform such other duties as the Board of Directors, the Chairperson of the Board, the President, or any Executive Vice President or Senior Vice President may, from time to time, assign or delegate to him or her.

Section 6.09 The Secretary. The Secretary shall be the chief custodial officer of the Corporation. The Secretary shall keep or cause to be kept, in minute books provided for the purpose, the minutes of the proceedings of the shareholders and the Board of Directors. The Secretary shall see that all notices are duly given in accordance with the provisions of this Code of By-laws and as required by law. The Secretary shall be custodian of the minute books, archives, records, and the seal of the Corporation and see that the seal is affixed to all documents, the execution of which on behalf of the Corporation under its seal is duly authorized by the shareholders, the Board of Directors, the Chairperson of the Board or the President or as required by law. In general, the Secretary shall have such powers and perform such duties as are incident to the office of secretary of a business corporation and shall, in addition, have such further powers and perform such further duties as are specified in this Code of By-laws or as the Board

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of Directors, the Chairperson of the Board, or the President may, from time to time, assign or delegate to the Secretary.

Section 6.10 The Assistant Secretaries. Each Assistant Secretary (if one or more Assistant Secretaries are elected) shall assist the Secretary in his or her duties, and shall have such other powers and perform such other duties as the Board of Directors, the Chairperson of the Board, the President or the Secretary may, from time to time, assign or delegate to him or her. At the request of the Secretary, any Assistant Secretary may, in the case of the absence or inability to act of the Secretary, temporarily act in his or her place. In the case of the death or resignation of the Secretary, or in the case of the Secretary's absence or inability to act without having designated an Assistant Secretary to act temporarily in his or her place, the Assistant Secretary so to perform the duties of the Secretary shall be designated by the President.

Section 6.11 The Treasurer. The Treasurer shall have such powers and perform such duties as are incident to the office of treasurer of a business corporation and have such further powers and perform such further duties as the Board of Directors, the Chairperson of the Board, the President, or the Chief Financial Officer may, from time to time, assign or delegate to the Treasurer.

Section 6.12 The Assistant Treasurers. Each Assistant Treasurer (if one or more Assistant Treasurers are elected) shall assist the Treasurer in his or her duties, and shall have such other powers and perform such other duties as the Board of Directors, the Chairperson of the Board, the President or the Treasurer may, from time to time, assign or delegate to such Assistant Treasurer. At the request of the Treasurer, any Assistant Treasurer may, in the case of the absence or inability to act of the Treasurer, temporarily act in the Treasurer's place. In the case of the death or resignation of the Treasurer, or in the case of his or her inability to act without having designated an Assistant Treasurer to act temporarily in his or her place, the Assistant Treasurer so to perform the duties of the Treasurer shall be designated by the President.

Section 6.13 Function of Offices. The offices of the Corporation are established in order to facilitate the day to day administration of the affairs of the Corporation in the ordinary course of its business and to provide an organization capable of executing and carrying out the decisions and directions of the Board of Directors. The officers of the Corporation shall have such powers and perform such duties as may be necessary or desirable to conduct and effect all transactions in the ordinary course of the business of the Corporation without further authorization by the Board of Directors and such further powers as are granted by this Code of By-laws or are otherwise granted by the Board of Directors.

#### ARTICLE 7. Indemnification

Section 7.01 Definitions. As used in this Article 7:

- a) "expenses" includes all direct and indirect costs of any type or nature whatsoever (including, without limitation, all attorneys' fees and related disbursements and other out-of-pocket costs) actually and reasonably incurred by an Eligible Person (as hereinafter defined) in connection with the investigation, defense, settlement, or appeal of a proceeding or establishing or enforcing a right to indemnification or advancement of expenses under this Article; provided,
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however, that expenses shall not include any judgments, fines, ERISA excise taxes or penalties, or amounts paid in settlement of a proceeding.

b) “proceeding” includes, without limitation, any threatened, pending, or completed action, suit, arbitration, alternate dispute resolution mechanism, investigation, administrative hearing, or any other proceeding, whether civil, criminal, administrative, or investigative and whether formal or informal, whether by a third party or by or in the right of the Corporation, by reason of the fact that an Eligible Person is or was a director, officer, or employee of the Corporation or, while a director, officer, or employee of the Corporation, is or was serving at the request of the Corporation as a director, officer, partner, member, manager, trustee, employee, fiduciary, or agent of another domestic or foreign corporation, partnership, limited liability company, joint venture, trust, employee benefit plan, or other enterprise, or an affiliate of the Corporation, whether for profit or not.

Section 7.02 Indemnity. The Corporation shall indemnify any person who is or was a director, officer, or employee of the Corporation (“Eligible Person”) in accordance with the provisions of this Section 7.02 if the Eligible Person is a party to or threatened to be made a party to any proceeding against all expenses, judgments, fines (including any excise tax or penalty assessed with respect to any employee benefit plan) and amounts paid in settlement actually and reasonably incurred by the Eligible Person in connection with such proceeding, but only (a) if the Eligible Person acted in good faith, and (b) (i) in the case of conduct in the Eligible Person’s official capacity with the Corporation, if the Eligible Person acted in a manner which the Eligible Person reasonably believed to be in the best interests of the Corporation, or (ii) in the case of conduct other than in the Eligible Person’s official capacity with the Corporation, if the Eligible Person acted in a manner which the Eligible Person reasonably believed was at least not opposed to the best interests of the Corporation, and (c) in the case of a criminal proceeding, the Eligible Person had reasonable cause to believe that the Eligible Person’s conduct was lawful or had no reasonable cause to believe that the Eligible Person’s conduct was unlawful, and (d) if required by the Act, the Corporation makes a determination that indemnification of the Eligible Person is permissible because the Eligible Person has met the standard of conduct as set forth in the Act.

Section 7.03 Indemnification of Expenses of Successful Party. Notwithstanding any other provisions of this Article, to the extent that the Eligible Person has been wholly successful, on the merits or otherwise, in the defense of any proceeding or in defense of any claim, issue, or matter therein, including the dismissal of an action without prejudice, the Corporation shall indemnify the Eligible Person against all expenses incurred in connection therewith.

Section 7.04 Additional Indemnification. Notwithstanding any limitation in Sections 7.02 or 7.03, the Corporation shall indemnify the Eligible Person to the full extent authorized or permitted by any amendments to or replacements of the Act adopted after the date of adoption of this Article that increase the extent to which a corporation may indemnify its Eligible Persons if the Eligible Person is a party to or threatened to be made a party to any proceeding against all expenses, judgments, fines (including any excise tax or penalty assessed with respect to any employee benefit plan) and amounts paid in settlement actually and reasonably incurred by the Eligible Person in connection with such proceeding.

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Section 7.05 Exclusions. Notwithstanding any provision in this Article 7, the Corporation shall not be obligated under this Article to make any indemnity or advance expenses in connection with any claim made against the Eligible Person:

- a) for which payment has actually been made to or on behalf of the Eligible Person under any insurance policy or other indemnity provision, except with respect to any excess beyond the amount paid under such insurance or other indemnity provision;
- b) if a court having jurisdiction in the matter shall finally determine that an Eligible Person derived an improper personal benefit from any transaction;
- c) if a court having jurisdiction in the matter shall finally determine that an Eligible Person is liable for disgorgement of profits resulting from the purchase and sale or sale and purchase by the Eligible Person of securities of the Corporation in violation of Section 16(b) of the Exchange Act and amendments thereto or similar provisions of any federal, state, or local statutory law or common law;
- d) if a court having jurisdiction in the matter shall finally determine that such indemnification is not lawful under any applicable statute; or
- e) if such indemnification is not lawful under any applicable public policy (in this respect, if applicable, both the Corporation and the Eligible Person have been advised that the Securities and Exchange Commission takes the position that indemnification for liabilities (i) arising under the federal securities laws or (ii) for the recovery of erroneously awarded compensation as a result of material noncompliance with accounting rules are both against public policy and are, therefore, unenforceable and that claims for indemnification should be submitted to appropriate courts for adjudication); or
- f) in connection with any proceeding (or part thereof) initiated by the Eligible Person against the Corporation or its directors, officers, or employees, unless (i) such indemnification is expressly required to be made by law, (ii) the proceeding was authorized by the Board of Directors, (iii) such indemnification is provided by the Corporation, in its sole discretion, pursuant to the powers vested in the Corporation under applicable law, or (iv) the proceeding is initiated pursuant to Section 7.08 hereof and the Eligible Person is successful in whole or in part in such proceeding.

Section 7.06 Advancement of Expenses. The expenses incurred by the Eligible Person in any proceeding shall, subject to Section 7.05, be paid promptly by the Corporation upon demand and in advance of final disposition of the proceeding at the written request of the Eligible Person, if (a) the Eligible Person furnishes the Corporation with a written affirmation of the Eligible Person's good faith belief that the Eligible Person has met the standard of conduct required by the Act or this Article, (b) the Eligible Person furnishes the Corporation with a written undertaking to repay such advance to the extent that it is ultimately determined that the Eligible Person did not meet the standard of conduct that would entitle the Eligible Person to

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indemnification, and (c) if required by the Act, the Corporation makes a determination that the facts known to those making the determination would not preclude indemnification under the Act. Such advances shall be made without regard to the Eligible Person's ability to repay such expenses.

Section 7.07 Notification and Defense of Claim. To obtain indemnification under this Article, as soon as practicable after receipt by the Eligible Person of notice of the commencement of any proceeding, the Eligible Person shall, if a claim in respect thereof is to be made against the Corporation under this Article, notify the Corporation of the commencement thereof; provided, however, that the omission so to notify the Corporation will not relieve the Corporation from any liability which it may have to the Eligible Person otherwise than under this Article. With respect to any such proceeding as to which the Eligible Person notifies the Corporation of the commencement thereof:

- a) The Corporation will be entitled to participate therein at its own expense.
  - b) Except as otherwise provided below, the Corporation may, at its option and jointly with any other indemnifying party similarly notified and electing to assume such defense, assume the defense thereof, with legal counsel reasonably satisfactory to the Eligible Person. The Eligible Person shall have the right to employ separate counsel in such proceeding, but the Corporation shall not be liable to the Eligible Person under this Article, including Section 7.06 hereof, for the fees and expenses of such counsel incurred after notice from the Corporation of its assumption of the defense, unless (i) the Eligible Person reasonably concludes that there may be a conflict of interest between the Corporation and the Eligible Person in the conduct of the defense of such proceeding or (ii) the Corporation does not employ counsel to assume the defense of such proceeding. The Corporation shall not be entitled to assume the defense of any proceeding brought by the Corporation or as to which the Eligible Person shall have made the conclusion provided for in (i) above.
  - c) If two or more persons who may be entitled to indemnification from the Corporation, including the Eligible Person, are parties to any proceeding, the Corporation may require the Eligible Person to engage the same legal counsel as the other parties. The Eligible Person shall have the right to employ separate legal counsel in such proceeding, but the Corporation shall not be liable to the Eligible Person under this Article, including Section 7.06 hereof, for the fees and expenses of such counsel incurred after notice from the Corporation of the requirement to engage the same counsel as other parties, unless the Eligible Person reasonably concludes that there may be a conflict of interest between the Eligible Person and any of the other parties required by the Corporation to be represented by the same legal counsel.
  - d) The Corporation shall not be liable to indemnify the Eligible Person under this Article for any amounts paid in settlement of any proceeding effected without its written consent in advance which consent shall not be unreasonably withheld. The Corporation shall be permitted to settle any proceeding the defense of which it assumes, except the Corporation shall not settle any action or claim in any manner which would impose any penalty or limitation on the Eligible Person without the
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Eligible Person's written consent, which consent shall not be unreasonably withheld.

Section 7.08 Enforcement. Any right to indemnification or advances granted by this Article to the Eligible Person shall be enforceable by or on behalf of the Eligible Person in any court of competent jurisdiction if (i) the claim for indemnification or advances is denied, in whole or in part, or (ii) no disposition of such claim is made within 90 days of a written request therefor. The Eligible Person, in such enforcement action, if successful in whole or in part, shall be entitled to be paid also the expense of prosecuting the claim. Neither the failure of the Corporation (including its Board of Directors or its shareholders) to make a determination prior to the commencement of such enforcement action that indemnification of the Eligible Person is proper in the circumstances, nor an actual determination by the Corporation (including its Board of Directors or its shareholders) that such indemnification is improper, shall be a defense to the action or create a presumption that the Eligible Person is not entitled to indemnification under this Article or otherwise. The termination of any proceeding by judgment, order of court, settlement, conviction, or upon a plea of nolo contendere, or its equivalent, shall not, of itself, create a presumption that the Eligible Person is not entitled to indemnification under this Article or otherwise.

Section 7.09 Partial Indemnification. If the Eligible Person is entitled under any provisions of this Article to indemnification by the Corporation for some or a portion of the expenses, judgments, fines (including any excise tax or penalty assessed with respect to any employee benefit plan) and amounts paid in settlement actually and reasonably incurred by the Eligible Person in the investigation, defense, appeal, or settlement of any proceeding but not, however, for the total amount thereof, the Corporation shall indemnify the Eligible Person for the portion of such expenses, judgments, fines (including any excise tax or penalty assessed with respect to any employee benefit plan) and amounts paid in settlement to which the Eligible Person is entitled.

Section 7.10 Nonexclusivity; Survival; Successors and Assigns. The indemnification and advance payment of expenses as provided by this Article shall not be deemed exclusive of any other rights to which the Eligible Person may be entitled under the Corporation's articles of incorporation or any agreement, any vote of shareholders or directors, the Act, or otherwise, both as to action in the Eligible Person's official capacity and as to action in another capacity. The right of the Eligible Person to indemnification under this Article shall vest at the time of occurrence or performance of any event, act or omission or any alleged event, act or omission giving rise to any action, suit or proceeding and, once vested, shall survive any actual or purported amendment, restatement or repeal of this Article by the Corporation or its successors or assigns whether by operation of law or otherwise and shall survive termination of the Eligible Person's services to the Corporation and shall inure to the benefit of the heirs, personal representatives, and estate of the Eligible Person.

Section 7.11 Severability. If this Article or any portion thereof is invalidated on any ground by any court of competent jurisdiction, the Corporation shall indemnify the Eligible Person as to expenses, judgments, fines (including any excise tax or penalty assessed with respect to any employee benefit plan) and amounts paid in settlement with respect to any proceeding to the full extent permitted by any applicable portion of this Article that is not invalidated or by any other applicable law.

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Section 7.12 Subrogation. In the event of payment under this Article, the Corporation shall be subrogated to the extent of such payment to all of the rights of recovery of the Eligible Person, who shall as a condition of receiving indemnification hereunder execute all documents required and shall do all acts necessary or desirable to secure such rights and to enable the Corporation effectively to bring suit to enforce such rights.

#### ARTICLE 8 Miscellaneous Matters

Section 8.01 Fiscal Year. The fiscal year of the Corporation shall end at midnight on September 30 of each calendar year.

Section 8.02 Negotiable Instruments. All checks, drafts, bills of exchange and orders for the payment of money may, unless otherwise directed by the Board of Directors, or unless otherwise required by law, be executed in its name by the President, a Vice President (including a Senior Vice President or Executive Vice President), the Treasurer, or an Assistant Treasurer, singly and without necessity of countersignature. The Board of Directors may, however, authorize any other officer or employee of the Corporation to sign checks, drafts and orders for the payment of money, singly and without necessity of countersignature.

Section 8.03 Notes and Obligations. All notes and obligations of the Corporation for the payment of money other than those to which reference is made in Section 8.02 of this Code of By-laws, may, unless otherwise directed by the Board of Directors, or unless otherwise required by law, be executed in its name by the President, a Vice President (including a Senior Vice President or Executive Vice President), or the Treasurer, singly and without necessity of either attestation or affixation of the corporate seal by the Secretary or an Assistant Secretary.

Section 8.04 Deeds and Contracts. All deeds and mortgages made by the Corporation and all other written contracts and agreements to which the Corporation shall be a party may, unless otherwise directed by the Board of Directors, or unless otherwise required by law, be executed in its name by the President or a Vice President (including a Senior Vice President or Executive Vice President) singly and without necessity of either attestation or affixation of the corporate seal by the Secretary or an Assistant Secretary.

Section 8.05 Endorsement of Stock Certificates. Any certificate for shares of stock issued by any corporation and owned by the Corporation (including shares of Common Stock held by the Corporation as treasury stock) may, unless otherwise required by law, be endorsed for sale or transfer by the President or a Vice President (including a Senior Vice President or Executive Vice President), and attested by the Secretary or an Assistant Secretary; the Secretary or an Assistant Secretary, when necessary or required, may affix the corporate seal to the certificate.

Section 8.06 Voting of Stock. Any shares of stock issued by any other corporation and owned by the Corporation may be voted at any shareholders' meeting of the other corporation by the President, if the President is present, or in the President's absence by the Chief Financial Officer or a Vice President, Senior Vice President, or Executive Vice President. Whenever, in the judgment of the President, it is desirable for the Corporation to execute a proxy or to give a shareholders' consent with respect to any shares of stock issued by any other corporation and owned by the Corporation, the proxy or consent may be executed in the name of the Corporation by the President, the Chief Financial Officer or a Vice President, Senior Vice President, or Executive Vice President singly and without necessity of either attestation or affixation of the

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corporate seal by the Secretary or an Assistant Secretary. Any person or persons designated in the manner above stated as the proxy or proxies of the Corporation shall have full right, power, and authority to vote the share or shares of stock issued by the other corporation and owned by the Corporation the same as the share might be voted by the Corporation.

Section 8.07 Corporate Seal. The corporate seal of the Corporation shall be circular in form and mounted on a metal die, suitable for impressing the same on paper. About the upper periphery of the seal shall appear the words "Hillenbrand, Inc.," and about the lower periphery of the seal shall appear the word "Indiana." In the center of the seal shall appear the words "Corporate Seal." No instrument executed by any of the officers of the Corporation shall be invalid or ineffective in any respect by reason of the fact that the corporate seal has not been affixed to it.

Section 8.08 Control Share Acquisitions. The provisions of Chapter 42 of the Indiana Business Corporation Law, Ind. Code §23-1-42-1 et seq., shall not apply to control share acquisitions of shares of the Corporation.

Section 8.09 Amendments. Except as otherwise expressly provided in the Corporation's articles of incorporation or by the Act, this Code of By-laws and any bylaw herein may be made, altered, amended or repealed by either (a) the Board of Directors by the affirmative vote of a number of Directors equal to a majority of the number who would constitute a full Board of Directors at the time of such action, or (b) the affirmative vote, at a meeting of shareholders, of at least a majority of the votes entitled to be cast by the holders of the outstanding shares of all classes of stock of the Corporation entitled to vote generally in the election of Directors, considered for purposes of this Section 8.09 as a single voting group, provided, however, that no bylaw may be adopted that is inconsistent with the Act.

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