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 June 30, 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	**26-1342272**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
One Batesville Boulevard **Batesville, Indiana**	**47006**
(Address of principal executive offices)	(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	☒	Accelerated filer	☐	Emerging growth company	☐
Non-accelerated filer	☐	Smaller reporting company	☐		

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 70,226,313 shares of common stock, no par value per share, outstanding as of August 2, 2024.

HILLENBRAND, INC.
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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 June 30, 2024	Three Months Ended June 30, 2023	Nine Months Ended June 30, 2024	Nine Months Ended June 30, 2023
Net revenue	$ 786.6	$ 716.6	$ 2,345.2	$ 2,063.2
Cost of goods sold	520.2	469.7	1,577.1	1,382.5
Gross profit	266.4	246.9	768.1	680.7
Operating expenses	174.2	143.6	513.5	421.1
Amortization expense	25.5	19.7	76.7	58.6
Impairment charges	265.0	—	265.0	—
Pension settlement charges	26.9	—	35.2	—
Interest expense, net	32.2	15.8	92.8	55.9
(Loss) income from continuing operations before income taxes	(257.4)	67.8	(215.1)	145.1
Income tax (benefit) expense	(10.5)	23.8	3.7	50.2
(Loss) income from continuing operations	(246.9)	44.0	(218.8)	94.9
Income (loss) from discontinued operations (net of income tax expense (benefit))	—	0.6	(0.3)	20.1
Gain on divestiture of discontinued operations (net of income tax expense)	—	0.4	—	441.3
Total income (loss) from discontinued operations	—	1.0	(0.3)	461.4
Consolidated net (loss) income	(246.9)	45.0	(219.1)	556.3
Less: Net income attributable to noncontrolling interests	2.0	1.7	6.5	4.8
Net (loss) income attributable to Hillenbrand	$ (248.9)	$ 43.3	$ (225.6)	$ 551.5
(Loss) earnings per share				
Basic (loss) earnings per share				
(Loss) income from continuing operations attributable to Hillenbrand	$ (3.53)	$ 0.60	$ (3.20)	$ 1.29
Income from discontinued operations	—	0.02	—	6.62
Net (loss) income attributable to Hillenbrand	$ (3.53)	$ 0.62	$ (3.20)	$ 7.91
Diluted (loss) earnings per share				
(Loss) income from continuing operations attributable to Hillenbrand	$ (3.53)	$ 0.60	$ (3.20)	$ 1.29
Income from discontinued operations	—	0.02	—	6.59
Net (loss) income attributable to Hillenbrand	$ (3.53)	$ 0.62	$ (3.20)	$ 7.88
Weighted average shares outstanding (basic)	70.5	70.0	70.4	69.7
Weighted average shares outstanding (diluted)	70.5	70.3	70.4	70.0

See Condensed Notes to Consolidated Financial Statements

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

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2024	2023	2024	2023
Consolidated net (loss) income	$ (246.9)	$ 45.0	$ (219.1)	$ 556.3
Changes in other comprehensive (loss) income, net of tax:				
Currency translation adjustment [(1)]	(6.7)	(23.8)	8.5	38.6
Pension and postretirement	20.5	(0.3)	26.5	(1.8)
Change in net unrealized gain on derivative instruments	4.8	—	5.7	3.3
Total changes in other comprehensive income (loss), net of tax	18.6	(24.1)	40.7	40.1
Consolidated comprehensive (loss) income	(228.3)	20.9	(178.4)	596.4
Less: Comprehensive income attributable to noncontrolling interests	2.4	1.1	6.4	4.2
Comprehensive (loss) income attributable to Hillenbrand	$ (230.7)	$ 19.8	$ (184.8)	$ 592.2

(1) 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*)

	June 30, 2024 (unaudited)	September 30, 2023
ASSETS		
Current Assets		
Cash and cash equivalents	$ 223.8	$ 242.9
Trade receivables, net	339.7	398.7
Receivables from long-term manufacturing contracts	340.7	260.2
Inventories, net	573.5	592.6
Prepaid expenses and other current assets	159.4	113.2
Total current assets	1,637.1	1,607.6
Property, plant, and equipment, net	328.7	320.7
Operating lease right-of-use assets, net	111.4	111.3
Intangible assets, net	1,291.0	1,377.1
Goodwill	1,788.3	2,028.1
Other long-term assets	115.0	102.9
Total Assets	$ 5,271.5	$ 5,547.7
LIABILITIES		
Current Liabilities		
Trade accounts payable	$ 444.3	$ 451.5
Liabilities from long-term manufacturing contracts and advances	332.6	388.5
Current portion of long-term debt	19.9	19.7
Accrued compensation	113.7	99.6
Other current liabilities	303.1	331.7
Total current liabilities	1,213.6	1,291.0
Long-term debt	2,068.9	1,990.4
Accrued pension and postretirement healthcare	100.0	101.4
Operating lease liabilities	84.6	88.1
Deferred income taxes	269.5	351.2
Other long-term liabilities	93.5	62.7
Total Liabilities	3,830.1	3,884.8
Commitments and contingencies (Note 15)		
SHAREHOLDERS' EQUITY		
Common stock, no par value (75.8 and 75.8 shares issued, 70.2 and 69.9 shares outstanding)	—	—
Additional paid-in capital	708.1	709.5
Retained earnings	1,046.6	1,319.6
Treasury stock (5.6 and 5.9 shares, at cost)	(238.9)	(251.7)
Accumulated other comprehensive loss	(106.3)	(147.1)
Hillenbrand Shareholders' Equity	1,409.5	1,630.3
Noncontrolling interests	31.9	32.6
Total Shareholders' Equity	1,441.4	1,662.9
Total Liabilities and Shareholders' Equity	$ 5,271.5	$ 5,547.7

See Condensed Notes to Consolidated Financial Statements

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

	Nine Months Ended June 30, 2024	Nine Months Ended June 30, 2023
Operating activities from continuing operations		
Consolidated net (loss) income	$ (219.1)	$ 556.3
Adjustments to reconcile (loss) income from continuing operations to cash provided by operating activities:		
Total loss (income) from discontinued operations (net of income tax (benefit) expense)	0.3	(461.4)
Depreciation and amortization	118.8	93.1
Deferred income taxes	(73.9)	(19.1)
Amortization of deferred financing costs	4.2	2.7
Share-based compensation	14.9	14.0
Impairment charges	265.0	—
Pension settlement charges	35.2	—
Trade accounts receivable, net and receivables from long-term manufacturing contracts	(19.6)	(44.2)
Inventories, net	18.4	32.5
Prepaid expenses and other current assets	(43.5)	(6.1)
Trade accounts payable	(7.4)	(12.6)
Liabilities from long-term manufacturing contracts and advances, accrued compensation, and other current liabilities	(51.1)	(26.9)
Income taxes payable	(1.0)	20.6
Accrued pension and postretirement	(4.2)	(4.8)
Other, net	(12.2)	(10.5)
Net cash provided by operating activities from continuing operations	24.8	133.6
Investing activities from continuing operations		
Capital expenditures	(41.1)	(46.1)
Proceeds from sales of property, plant, and equipment	3.4	0.8
Acquisition of businesses, net of cash acquired	(0.9)	(626.8)
Proceeds from divestitures, net of cash divested	—	696.7
Other, net	(1.6)	0.4
Net cash (used in) provided by investing activities from continuing operations	(40.2)	25.0
Financing activities from continuing operations		
Proceeds from issuance of long-term debt	500.0	200.0
Repayments on long-term debt	(415.0)	(105.0)
Proceeds from revolving credit facilities	682.1	883.5
Repayments on revolving credit facilities	(692.5)	(914.1)
Payment of deferred financing costs	(6.2)	(3.3)
Payments of dividends on common stock	(46.8)	(45.9)
Proceeds from stock option exercises	2.4	19.9
Payments for employee taxes on net settlement equity awards	(6.5)	(12.5)
Other, net	(4.1)	(1.2)
Net cash provided by financing activities from continuing operations	13.4	21.4
Cash (used in) provided by continuing operations	(2.0)	180.0
Cash used in discontinued operations:		
Operating cash flows	(23.3)	(109.4)
Investing cash flows	—	(7.6)
Total cash used in discontinued operations	(23.3)	(117.0)
Effect of exchange rates on cash and cash equivalents	(0.3)	(9.3)
Net cash flows	(25.6)	53.7
Cash and cash equivalents:		
At beginning of period	250.2	237.6
At end of period	$ 224.6	$ 291.3

See Condensed Notes to Consolidated Financial Statements

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

Three Months Ended June 30, 2024

	Common Stock Shares	Additional Paid-in Capital	Retained Earnings	Treasury Stock Shares	Treasury Stock Amount	Accumulated Other Comprehensive Loss	Noncontrolling Interests	Total
Balance at March 31, 2024	**75.8**	**$ 704.2**	**$ 1,311.3**	**5.6**	**$ (239.9)**	**$ (124.5)**	**$ 31.1**	**$ 1,682.2**
Total other comprehensive income, net of tax	—	—	—	—	—	18.2	0.4	18.6
Net (loss) income	—	—	(248.9)	—	—	—	2.0	(246.9)
Issuance/retirement of stock for stock awards/options	—	(1.3)	—	—	1.0	—	—	(0.3)
Share-based compensation	—	5.0	—	—	—	—	—	5.0
Dividends ($0.2225 per share)	—	0.2	(15.8)	—	—	—	(1.6)	(17.2)
Balance at June 30, 2024	**75.8**	**$ 708.1**	**$ 1,046.6**	**5.6**	**$ (238.9)**	**$ (106.3)**	**$ 31.9**	**$ 1,441.4**

Nine Months Ended June 30, 2024

	Common Stock Shares	Additional Paid-in Capital	Retained Earnings	Treasury Stock Shares	Treasury Stock Amount	Accumulated Other Comprehensive Loss	Noncontrolling Interests	Total
Balance at September 30, 2023	**75.8**	**$ 709.5**	**$ 1,319.6**	**5.9**	**$ (251.7)**	**$ (147.1)**	**$ 32.6**	**$ 1,662.9**
Total other comprehensive income (loss), net of tax	—	—	—	—	—	40.8	(0.1)	40.7
Net (loss) income	—	—	(225.6)	—	—	—	6.5	(219.1)
Issuance/retirement of stock for stock awards/options	—	(16.9)	—	(0.3)	12.8	—	—	(4.1)
Share-based compensation	—	14.9	—	—	—	—	—	14.9
Dividends ($0.6675 per share)	—	0.6	(47.4)	—	—	—	(4.1)	(50.9)
Purchase of shares of noncontrolling interests	—	—	—	—	—	—	(3.0)	(3.0)
Balance at June 30, 2024	**75.8**	**$ 708.1**	**$ 1,046.6**	**5.6**	**$ (238.9)**	**$ (106.3)**	**$ 31.9**	**$ 1,441.4**

	Three Months Ended June 30, 2023							
	Common Stock	Additional Paid-in Capital	Retained Earnings	Treasury Stock		Accumulated Other Comprehensive Loss	Noncontrolling Interests	Total
	Shares			Shares	Amount			
Balance at March 31, 2023	**75.8**	**$ 704.7**	**$ 1,289.2**	**6.2**	**$ (266.9)**	**$ (91.4)**	**$ 31.2**	**$ 1,666.8**
Total other comprehensive loss, net of tax	—	—	—	—	—	(23.5)	(0.6)	(24.1)
Net income	—	—	43.3	—	—	—	1.7	45.0
Issuance/retirement of stock for stock awards/options	—	(2.9)	—	(0.3)	11.9	—	—	9.0
Share-based compensation	—	4.9	—	—	—	—	—	4.9
Dividends ($0.2200 per share)	—	0.2	(15.5)	—	—	—	—	(15.3)
Purchase of shares of noncontrolling interests	—	—	—	—	—	—	(0.8)	(0.8)
Balance at June 30, 2023	**75.8**	**$ 706.9**	**$ 1,317.0**	**5.9**	**$ (255.0)**	**$ (114.9)**	**$ 31.5**	**$ 1,685.5**

	Nine Months Ended June 30, 2023							
	Common Stock	Additional Paid-in Capital	Retained Earnings	Treasury Stock		Accumulated Other Comprehensive Loss	Noncontrolling Interests	Total
	Shares			Shares	Amount			
Balance at September 30, 2022	**75.8**	**$ 723.8**	**$ 812.0**	**6.9**	**$ (297.3)**	**$ (155.6)**	**$ 25.1**	**$ 1,108.0**
Total other comprehensive income (loss), net of tax	—	—	—	—	—	40.7	(0.6)	40.1
Net income	—	—	551.5	—	—	—	4.8	556.3
Issuance/retirement of stock for stock awards/options	—	(34.9)	—	(1.0)	42.3	—	—	7.4
Share-based compensation	—	17.4	—	—	—	—	—	17.4
Dividends ($0.6600 per share)	—	0.6	(46.5)	—	—	—	(1.6)	(47.5)
Acquisition of noncontrolling interests	—	—	—	—	—	—	4.6	4.6
Purchase of shares of noncontrolling interests	—	—	—	—	—	—	(0.8)	(0.8)
Balance at June 30, 2023	**75.8**	**$ 706.9**	**$ 1,317.0**	**5.9**	**$ (255.0)**	**$ (114.9)**	**$ 31.5**	**$ 1,685.5**

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 Statements. The transition services vary in duration depending upon the type of service provided.

As a result of the divestiture, Hillenbrand is now composed oftwo 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, preliminary purchase price allocations, determination of reporting unit and identifiable intangible asset fair value, establishment of reserves related to credit losses, retirement benefits, warranties, 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 is measured as the amount of consideration the Company expects to receive in exchange for transferring goods or providing services and is recognized when performance obligations are satisfied under the terms of contracts with customers.

Contract balances

The balance in receivables from long-term manufacturing contracts at June 30, 2024 and September 30, 2023, was $340.7 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 June 30, 2024 and September 30, 2023, was $332.6 and $388.5, respectively, and consists primarily of cash payments received in advance of satisfying performance obligations. The net revenue recognized for the nine months ended June 30, 2024 and 2023, related to liabilities from long-term manufacturing contracts and advances as of September 30, 2023 and 2022, was $267.0 and $199.7, respectively. During the three and nine months ended June 30, 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 June 30, 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 $1,974.2. Approximately 85% 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 June 30, 2024			Nine Months Ended June 30, 2024		
	Advanced Process Solutions	Molding Technology Solutions	Total	Advanced Process Solutions	Molding Technology Solutions	Total
End market						
Plastics and recycling	$ 261.6	$ —	$ 261.6	$ 786.9	$ —	$ 786.9
Automotive	—	43.8	43.8	—	133.6	133.6
Chemicals	41.7	—	41.7	134.8	—	134.8
Consumer goods	—	26.1	26.1	—	77.8	77.8
Food and pharmaceuticals	187.7	—	187.7	545.6	—	545.6
Custom molders	—	20.1	20.1	—	69.5	69.5
Packaging	—	35.3	35.3	—	99.5	99.5
Construction	13.9	27.8	41.7	45.6	85.4	131.0
Minerals	17.0	—	17.0	58.0	—	58.0
Electronics	—	16.8	16.8	—	43.0	43.0
Medical	—	16.3	16.3	—	48.7	48.7
Other industrial	47.5	31.0	78.5	126.0	90.8	216.8
Total	$ 569.4	$ 217.2	$ 786.6	$ 1,696.9	$ 648.3	$ 2,345.2

	Three Months Ended June 30, 2023			Nine Months Ended June 30, 2023		
	Advanced Process Solutions	Molding Technology Solutions	Total	Advanced Process Solutions	Molding Technology Solutions	Total
End market						
Plastics and recycling	$ 270.1	$ —	$ 270.1	$ 759.2	$ —	$ 759.2
Automotive	—	56.6	56.6	—	158.3	158.3
Chemicals	29.0	—	29.0	85.8	—	85.8
Consumer goods	—	33.5	33.5	—	100.9	100.9
Food and pharmaceuticals	117.8	—	117.8	320.2	—	320.2
Custom molders	—	24.5	24.5	—	81.8	81.8
Packaging	—	32.4	32.4	—	98.4	98.4
Construction	—	31.6	31.6	—	101.4	101.4
Minerals	15.3	—	15.3	47.8	—	47.8
Electronics	—	23.4	23.4	—	59.0	59.0
Medical	—	17.2	17.2	—	48.9	48.9
Other industrial	32.5	32.7	65.2	95.0	106.5	201.5
Total	$ 464.7	$ 251.9	$ 716.6	$ 1,308.0	$ 755.2	$ 2,063.2

The following tables present net revenue by geography:

	Three Months Ended June 30, 2024			Nine Months Ended June 30, 2024		
	Advanced Process Solutions	Molding Technology Solutions	Total	Advanced Process Solutions	Molding Technology Solutions	Total
Geography [1]						
Americas	$ 275.4	$ 115.7	$ 391.1	$ 797.5	$ 353.1	$ 1,150.6
Asia	128.4	64.9	193.3	408.8	188.0	596.8
Europe, the Middle East, and Africa	165.6	36.6	202.2	490.6	107.2	597.8
Total	$ 569.4	$ 217.2	$ 786.6	$ 1,696.9	$ 648.3	$ 2,345.2

	Three Months Ended June 30, 2023			Nine Months Ended June 30, 2023		
	Advanced Process Solutions	Molding Technology Solutions	Total	Advanced Process Solutions	Molding Technology Solutions	Total
Geography [1]						
Americas	$ 164.6	$ 146.1	$ 310.7	$ 462.1	$ 439.4	$ 901.5
Asia	153.8	67.8	221.6	444.8	201.3	646.1
Europe, the Middle East, and Africa	146.3	38.0	184.3	401.1	114.5	515.6
Total	$ 464.7	$ 251.9	$ 716.6	$ 1,308.0	$ 755.2	$ 2,063.2

(1) 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 June 30, 2024			Nine Months Ended June 30, 2024		
	Advanced Process Solutions	Molding Technology Solutions	Total	Advanced Process Solutions	Molding Technology Solutions	Total
Products and services						
Equipment	$ 385.1	$ 127.2	$ 512.3	$ 1,142.4	$ 391.4	$ 1,533.8
Parts and services	184.3	76.0	260.3	554.5	212.6	767.1
Other	—	14.0	14.0	—	44.3	44.3
Total	$ 569.4	$ 217.2	$ 786.6	$ 1,696.9	$ 648.3	$ 2,345.2

	Three Months Ended June 30, 2023			Nine Months Ended June 30, 2023		
	Advanced Process Solutions	Molding Technology Solutions	Total	Advanced Process Solutions	Molding Technology Solutions	Total
Products and services						
Equipment	$ 341.8	$ 164.2	$ 506.0	$ 952.6	$ 499.5	$ 1,452.1
Parts and services	122.9	71.9	194.8	355.4	207.3	562.7
Other	—	15.8	15.8	—	48.4	48.4
Total	$ 464.7	$ 251.9	$ 716.6	$ 1,308.0	$ 755.2	$ 2,063.2

The following tables present net revenue by timing of transfer:

	Three Months Ended June 30, 2024			Nine Months Ended June 30, 2024		
	Advanced Process Solutions	Molding Technology Solutions	Total	Advanced Process Solutions	Molding Technology Solutions	Total
Timing of transfer						
Point in time	$ 267.2	$ 203.8	$ 471.0	$ 826.9	$ 595.5	$ 1,422.4
Over time	302.2	13.4	315.6	870.0	52.8	922.8
Total	$ 569.4	$ 217.2	$ 786.6	$ 1,696.9	$ 648.3	$ 2,345.2

	Three Months Ended June 30, 2023			Nine Months Ended June 30, 2023		
	Advanced Process Solutions	Molding Technology Solutions	Total	Advanced Process Solutions	Molding Technology Solutions	Total
Timing of transfer						
Point in time	$ 250.2	$ 223.4	$ 473.6	$ 692.0	$ 679.5	$ 1,371.5
Over time	214.5	28.5	243.0	616.0	75.7	691.7
Total	$ 464.7	$ 251.9	$ 716.6	$ 1,308.0	$ 755.2	$ 2,063.2

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 $17.5 for the nine months ended June 30, 2023, from amounts previously reported.

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 June 30,		Nine Months Ended June 30,	
	2024	2023	2024	2023
Net revenue	$ —	$ —	$ —	$ 213.7
Cost of goods sold	—	—	—	142.2
Gross profit	—	—	—	71.5
Operating (income) expenses	—	(0.4)	0.3	43.6
Income (loss) from discontinued operations before income taxes	—	0.4	(0.3)	27.9
Income tax (benefit) expense	—	(0.2)	—	7.8
Income (loss) from discontinued operations (net of income tax (benefit) expense)	—	0.6	(0.3)	20.1
Gain on divestiture of discontinued operations[1]	—	0.4	—	441.3
Total income (loss) from discontinued operations	$ —	$ 1.0	$ (0.3)	$ 461.4

(1) Net of income tax benefit of $0.4 during the three months ended June 30, 2023, and net of income tax expense of $144.7 during the nine months ended June 30, 2023.

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, including 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 nine months ended June 30, 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. As of August 1, 2024, the Schenck Process Food and Performance Materials business has been rebranded under Hillenbrand's existing Coperion brand.

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"), *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)
Assets acquired:			
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	(3.7)	61.1
Prepaid expenses and other current assets	10.3	(0.3)	10.0
Property, plant, and equipment	27.3	14.6	41.9
Operating lease right-of-use assets	11.0	3.1	14.1
Intangible assets	338.0	2.0	340.0
Goodwill	476.5	(10.8)	465.7
Other non-current assets	2.7	4.2	6.9
Total assets acquired	1,035.5	7.5	1,043.0
Liabilities assumed:			
Trade accounts payable	59.4	(2.3)	57.1
Liabilities from long-term manufacturing contracts	86.6	0.3	86.9
Accrued compensation	13.5	—	13.5
Other current liabilities	45.7	3.6	49.3
Operating lease liabilities	9.5	—	9.5
Deferred income taxes	69.0	(12.0)	57.0
Other non-current liabilities	3.1	3.3	6.4
Total liabilities assumed	286.8	(7.1)	279.7
Net assets acquired	$ 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 property, plant, and equipment, deferred income taxes, goodwill, other non-current assets, inventories, other current liabilities, and other non-current liabilities. 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 $340.0 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	5.0	5 years
Other	1.0	6 years
Total intangible assets	$ 340.0	

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 June 30, 2024	Nine Months Ended June 30, 2024
Net revenue	$ 136.7	$ 408.7
Income from continuing operations before income taxes	14.4	41.2

During the nine months ended June 30, 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, 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 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 purchase price allocation was finalized during the three months ended December 31, 2023. 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 nine months ended June 30, 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:

	Three Months Ended June 30, 2023	Nine Months Ended June 30, 2023
Net revenue	$ 847.7	$ 2,483.1
Income from continuing operations attributable to Hillenbrand	39.6	80.1
Income from continuing operations attributable to Hillenbrand — per share of common stock:		
Basic earnings per share from continuing operations	$ 0.57	$ 1.15
Diluted earnings per share from continuing operations	$ 0.56	$ 1.15

6. Supplemental Consolidated Balance Sheet Information

		June 30, 2024		September 30, 2023
Allowance for credit losses	$	10.8	$	10.1
Warranty reserves	$	43.6	$	35.8
Accumulated depreciation on property, plant, and equipment	$	263.5	$	226.7
Inventories, net:				
Raw materials and components	$	270.5	$	285.2
Work in process		140.5		135.0
Finished goods		162.5		172.4
Total inventories, net	$	573.5	$	592.6
Other current liabilities:				
Income tax payable	$	39.7	$	72.8
Other current liabilities		263.4		258.9
Total other current liabilities	$	303.1	$	331.7

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:

		June 30, 2024		June 30, 2023
Cash and cash equivalents	$	223.8	$	290.5
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	$	224.6	$	291.3

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 June 30, 2024 and September 30, 2023, were $27.4 and $29.1, respectively.

Trade Receivables Financing

During the nine months ended June 30, 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 $70.0 and $197.7, respectively, for the three and nine months ended June 30, 2024 ($0.0 for the three and nine months ended June 30, 2023). As of June 30, 2024 and September 30, 2023, trade receivables in the amount of $32.1

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 nine months ended June 30, 2024 and 2023, the Company recognized $7.7 and $24.3, and $5.6 and $20.8 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 June 30, 2024 and September 30, 2023.

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

	June 30, 2024	September 30, 2023
Operating lease right-of-use assets, net	$ 111.4	$ 111.3
Other current liabilities	20.3	18.6
Operating lease liabilities	84.6	88.1
Total operating lease liabilities	$ 104.9	$ 106.7
Weighted-average remaining lease term (in years)	6.4	7.1
Weighted-average discount rate	4.1 %	3.8 %

As of June 30, 2024, the maturities of the Company's operating lease liabilities were as follows:

2024 (excluding the nine months ended June 30, 2024)	$ 6.4
2025	23.6
2026	19.6
2027	16.3
2028	14.1
Thereafter	38.0
Total lease payments	118.0
Less: imputed interest	(13.1)
Total present value of lease payments	$ 104.9

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

	Nine Months Ended June 30,	
	2024	2023
Cash paid for amounts included in the measurement of operating lease liabilities	$ 19.9	$ 17.9
Operating lease right-of-use assets, net obtained in exchange for new operating lease liabilities	12.8	10.4
Operating leases acquired in acquisitions	3.1	15.3

8. Intangible Assets and Goodwill

Impairment assessment

Impairment recorded during the period

Testing for impairment of goodwill and indefinite-lived intangible assets must be performed annually, or on an interim basis upon the occurrence of triggering events or substantive changes in circumstances that indicate that the fair value of the indefinite-lived intangible asset or reporting unit may have decreased below the carrying value. The Company’s annual goodwill and indefinite-lived intangible asset assessment is performed on July 1 at the indefinite-lived intangible asset and reporting unit level, which consists of determining each indefinite-lived intangible asset or reporting unit’s current fair value compared to its current carrying value. In connection with the preparation of the Consolidated Financial Statements for the three months ended June 30, 2024, an interim impairment assessment was performed for select indefinite-lived intangible assets, specifically trade names, and select reporting units within the Molding Technology Solutions reportable operating segment as a result of certain triggering events and changes in circumstances discussed in detail below. Additionally, based on macroeconomic factors discussed below, and a decline in the Company’s common stock price during the three months ended June 30, 2024, the Company performed a qualitative review for all of the Company’s other indefinite-lived intangible assets and reporting units and determined that those indefinite-lived intangible assets and reporting units did not require an interim impairment test, as it was more likely than not that the current fair value of those indefinite-lived intangible assets and reporting units exceeded their carrying values, based on their current and projected financial performance as well as the headroom from the previous annual goodwill and indefinite-lived intangible asset impairment assessment.

For the select indefinite-lived intangible assets and reporting units within the Molding Technology Solutions reportable operating segment, an interim impairment assessment was triggered by recent macroeconomic conditions including a high interest rate and inflationary cost environment, and changing market fundamentals, coupled with recent business performance and a decrease in the Company’s market capitalization, primarily relating to a decrease in common stock price. As a result of these indicators, during the three months ended June 30, 2024, management developed a new five-year operating plan for the select reporting units within the Molding Technology Solutions reportable operating segment, which established a revised downward outlook for net revenue, gross profit, and operating cash flows. As a result of the change to expected future cash flows and current comparable market information used in the market approach for estimating the fair value of a certain reporting unit, the Company concluded that the carrying value for that reporting unit exceeded its fair value, resulting in a goodwill impairment charge of $238.0 during the three and nine months ended June 30, 2024. The pre-impairment goodwill balance for this reporting unit was $417.0. In the event of a 10% further reduction in the fair value of this reporting unit, a potential additional goodwill impairment of $63.0 could result.

Additionally, under the relief-from-royalty fair value method, the Company concluded that the carrying value of a trade name exceeded its fair value associated with that same reporting unit. As a result, an impairment charge of $27.0 was recorded for this trade name during the three and nine months ended June 30, 2024. The pre-impairment balance for this trade name was $88.6. In the event of a 10% further reduction in the fair value of this trade name, a potential additional trade name impairment of $6.2 could result. The goodwill and indefinite-lived intangible asset impairment charges are nondeductible for tax purposes.

The valuation used to test goodwill and indefinite-lived intangible assets for impairment is dependent upon a number of significant estimates and assumptions, including macroeconomic conditions, growth rates, competitive activities, cost containment, achievement of synergy initiatives, margin expansion, and the Company’s business plans. The Company believes these estimates and assumptions are reasonable. However, future changes in the judgments, assumptions, and estimates that are used in the impairment testing for goodwill and indefinite-lived assets, including discount and tax rates or future cash flow projections, could result in significantly different estimates of the fair values. As a result of these factors and other factors discussed above, and the limited cushion (or headroom as commonly referred) due to the acquisition of Milacron in fiscal 2020, goodwill and indefinite-lived assets for the reporting units within the Molding Technology Solutions reportable operating segment are more susceptible to impairment risk. The estimated fair value, as calculated during the interim impairment assessment during the three months ended June 30, 2024, for all the reporting units within the Molding Technology Solutions reportable operating segment ranged from approximately 0% to 6% greater than their carrying value (versus 10% to 25% at the previous annual goodwill impairment assessment date). The estimated fair value, as calculated during the interim impairment assessment during the three months ended June 30, 2024, for the indefinite-lived intangible assets within the Molding Technology Solutions reportable operating segment were less than 5% greater than their carrying value (versus 11% at the previous annual indefinite-lived intangible asset assessment date).

The Company is required to provide additional disclosures about fair value measurements as part of the Consolidated Financial Statements for each major category of assets and liabilities measured at fair value on a non-recurring basis (including impairment assessments). Goodwill and indefinite-lived 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 higher (lower) fair value measurement.

The most significant assumptions used in the determination of the estimated fair value of the indefinite-lived intangible assets and reporting units are the revenue and EBITDA growth rates (including terminal growth rates) and the discount rate. The terminal growth rate represents the rate at which the reporting unit is expected to grow beyond the shorter-term business planning period. The terminal growth rate utilized in the Company's fair value estimate is consistent with the reporting unit operating plans and approximates expected long-term category market growth rates and inflation. The discount rate, which is consistent with a weighted-average cost of capital that is likely to be expected by a market participant, is based upon industry required rates of return, including consideration of both debt and equity components of the capital structure. The discount rates may be impacted by adverse changes in the macroeconomic environment, volatility in the equity and debt markets, or other factors.

While the Company can implement and has implemented certain strategies to address the events that triggered the interim impairment assessment, future changes in operating plans or other adverse changes could result in a further decline in fair value that would trigger a future material impairment charge of the reporting unit's goodwill balance or indefinite-lived intangible assets.

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:

	June 30, 2024		September 30, 2023	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Finite-lived assets:				
Customer relationships	$ 1,291.1	$ (350.5)	$ 1,290.2	$ (291.4)
Technology, including patents	190.3	(95.2)	192.3	(83.1)
Software	55.0	(37.0)	41.7	(31.7)
Trade names	51.1	(8.9)	41.9	(4.2)
	1,587.5	(491.6)	1,566.1	(410.4)
Indefinite-lived assets:				
Trade names	195.1	—	221.4	—
Total	$ 1,782.6	$ (491.6)	$ 1,787.5	$ (410.4)

Finite-lived intangible assets, net, of $698.9 and $740.0 are included in the Advanced Process Solutions reportable operating segment at June 30, 2024 and September 30, 2023, respectively. Indefinite-lived intangible assets of $110.0 and $109.3 are included in the Advanced Process Solutions reportable operating segment at June 30, 2024 and September 30, 2023, respectively. The net change in intangible assets in the Advanced Process Solutions reportable operating segment during the nine months ended June 30, 2024 was driven primarily by acquisition measurement period adjustments, amortization, and foreign currency adjustments. Finite-lived intangible assets, net, of $389.8 and $412.9 are included in the Molding Technology Solutions reportable operating segment at June 30, 2024 and September 30, 2023, respectively. Indefinite-lived intangible assets of $85.1 and $112.1 are included in the Molding Technology Solutions reportable operating segment at June 30, 2024 and September 30, 2023, respectively. The net change in intangible assets in the Molding Technology Solutions reportable operating segment during the nine months ended June 30, 2024, was driven primarily by an impairment charge of $27.0 as discussed previously, amortization, and foreign currency adjustments.

Goodwill

Goodwill is not amortized but is subject to an annual impairment assessment. 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 nine months ended June 30, 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	(10.5)	—	(10.5)
Impairment charge	—	(238.0)	(238.0)
Foreign currency adjustments	6.9	1.8	8.7
Balance as of June 30, 2024	$ 1,391.3	$ 397.0	$ 1,788.3

9. Financing Agreements

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

	June 30, 2024	September 30, 2023
$1,000 revolving credit facility (excluding outstanding letters of credit)	$ 498.6	$ 505.1
$200 term loan	185.0	192.5
€185 term loan	190.4	195.0
$500 senior unsecured notes (1)	494.4	—
$400 senior unsecured notes (2)	—	398.0
$375 senior unsecured notes (3)	373.4	372.9
$350 senior unsecured notes (4)	347.0	346.6
Total debt	2,088.8	2,010.1
Less: current portion	19.9	19.7
Total long-term debt	$ 2,068.9	$ 1,990.4

(1) Includes unamortized debt issuance costs of $5.6 at June 30, 2024.
(2) Includes unamortized debt issuance costs of $2.0 at September 30, 2023.
(3) Includes unamortized debt issuance costs of $1.4 and $1.8 at June 30, 2024 and September 30, 2023, respectively.
(4) Includes unamortized debt issuance costs of $3.0 and $3.4 at June 30, 2024 and September 30, 2023, respectively.

Repayment of $400 senior unsecured notes

On June 16, 2020, the Company issued $400.0 of senior unsecured notes due June 2025 (the "2020 Notes"). During the three months ended June 30, 2024, the 2020 Notes were repaid in full by the Company, using a portion of the net proceeds from the 2024 Notes, as defined below, and the remaining issuance costs of $ 1.1 associated with the 2020 Notes were written off to interest expense in the Consolidated Statement of Operations.

$500 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 June 30, 2024, the Company had $18.7 in outstanding letters of credit issued and $482.7 of borrowing capacity under the Facility, of which $455.7 was immediately available based on the Company's most restrictive covenant. The weighted-average interest rates on borrowings under the Facility were 5.55% and 5.84% for the three and nine months ended June 30, 2024, respectively, and 4.45% and 2.55% for the three and nine months ended June 30, 2023, respectively. The weighted average facility fee on the Facility was 0.24% and 0.22% for the three and nine months ended June 30, 2024, respectively, and 0.19% and 0.17% for the three and nine months ended June 30, 2023, respectively. The weighted-average interest rate on the $200 term loan was 7.34% and 7.17% for the three and nine months ended June 30, 2024, respectively, and 6.52% and 6.12% for the three and nine months ended June 30, 2023, respectively. The weighted-average interest rate on the €185 term loan was 5.72% and 5.64% for the three and nine months ended June 30, 2024, respectively. There were no borrowings on the €185 term loan for the three and nine months ended June 30, 2023.

Remaining unamortized deferred financing costs related to the Facility, $200 term loan and €185 term loan were $5.2 and $6.0, in aggregate, as of June 30, 2024, and September 30, 2023, respectively, 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 June 30, 2024 and September 30, 2023, the Company had credit arrangements totaling $572.0 and $587.9, respectively, under which $379.3 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 June 30, 2024 and September 30, 2023, respectively, and are being amortized to interest expense over the remaining term of the agreement.

As of June 30, 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 cost (benefit) included in the Consolidated Statements of Operations were as follows:

	U.S. Pension Benefits Three Months Ended June 30,		Non-U.S. Pension Benefits Three Months Ended June 30,	
	2024	2023	2024	2023
Service costs	$ —	$ —	$ 0.5	$ 0.4
Interest costs	2.3	2.7	1.1	1.2
Expected return on plan assets	(2.8)	(3.4)	(0.4)	(0.3)
Amortization of net loss (gain)	0.1	0.1	(0.2)	(0.3)
Settlement charge	26.9	—	—	—
Net periodic pension cost (benefit)	$ 26.5	$ (0.6)	$ 1.0	$ 1.0

	U.S. Pension Benefits Nine Months Ended June 30,		Non-U.S. Pension Benefits Nine Months Ended June 30,	
	2024	2023	2024	2023
Service costs	$ —	$ —	$ 1.5	$ 1.4
Interest costs	7.0	8.3	3.3	3.1
Expected return on plan assets	(8.3)	(10.2)	(1.2)	(0.8)
Amortization of net loss (gain)	0.2	0.3	(0.5)	(0.7)
Settlement charges	35.2	—	—	—
Net periodic pension cost (benefit)	$ 34.1	$ (1.6)	$ 3.1	$ 3.0

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. 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. As a result, during the three months ended June 30, 2024, the Company recorded a non-cash settlement pre-tax charge of $26.9 related to the termination and liquidation of the Plan. During the nine months ended June 30, 2024, the Company recorded a non-cash settlement pre-tax charges of $35.2, related to the termination and liquidation of the Plan, as well as to the lump sum payments made in December 2023.

Defined Contribution Plans

Expenses related to the Company's defined contribution plans were $2.7 and $8.1 for the three and nine months ended June 30, 2024, respectively, and $2.7 and $8.1 for the three and nine months ended June 30, 2023, respectively.

11. Income Taxes

The effective tax rates for the three months ended June 30, 2024 and 2023 were 4.1% and 35.1%, respectively. The decrease in the effective tax rate was primarily driven by the negative effect of the loss from continuing operations before income taxes, primarily driven by the impairment charges in the current year, and a decrease in the tax accrual on unrepatriated earnings.

The effective tax rates for the nine months ended June 30, 2024 and 2023 were (1.7%) and 34.6%, respectively. The decrease in the effective tax rate was primarily driven by the negative effect of the loss from continuing operations before income taxes, primarily driven by the impairment charges in the current year, a decrease in the tax accrual on unrepatriated earnings, and a non-recurring prior year tax, partially offset by non-recurring prior year tax benefits related to the incentive tax rate for certain operations located in China.

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 445,000 and 350,000 shares at June 30, 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 June 30,		Nine Months Ended June 30,	
	2024	2023	2024	2023
(Loss) income from continuing operations	$ (246.9)	$ 44.0	$ (218.8)	$ 94.9
Less: Net income attributable to noncontrolling interests	2.0	1.7	6.5	4.8
(Loss) income from continuing operations attributable to Hillenbrand	$ (248.9)	$ 42.3	$ (225.3)	$ 90.1
Weighted-average shares outstanding (basic - in millions)	70.5	70.0	70.4	69.7
Effect of dilutive stock options and other unvested equity awards (in millions)[1]	—	0.3	—	0.3
Weighted-average shares outstanding (diluted - in millions)	70.5	70.3	70.4	70.0
Basic (loss) earnings per share from continuing operations attributable to Hillenbrand	$ (3.53)	$ 0.60	$ (3.20)	$ 1.29
Diluted (loss) earnings per share from continuing operations attributable to Hillenbrand	$ (3.53)	$ 0.60	$ (3.20)	$ 1.29
Shares with anti-dilutive effect excluded from the computation of diluted earnings per share (in millions)	1.1	0.1	1.1	0.4

(1) As a result of the net loss attributable to Hillenbrand during the three and nine months ended June 30, 2024, the effect of stock options and other unvested equity awards would be antidilutive. In accordance with GAAP, they have been excluded from the diluted earnings per share calculation.

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 [1]	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)	8.6	(0.6)	7.9	$ (0.1)	$ 7.8
Tax benefit	—	—	0.2	0.2	—	0.2
After tax amount	(0.1)	8.6	(0.4)	8.1	(0.1)	8.0
Amounts reclassified from accumulated other comprehensive loss [2]	26.6	—	6.1	32.7	—	32.7
Net current period other comprehensive income (loss)	26.5	8.6	5.7	40.8	$ (0.1)	$ 40.7
Balance at June 30, 2024	$ (8.0)	$ (98.5)	$ 0.2	$ (106.3)		

(1) Includes gain and losses on intra-entity foreign currency transactions that are of a long-term investment nature.
(2) Amounts are net of tax.

	Pension and Postretirement	Currency Translation [1]	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	—	39.2	3.4	42.6	$ (0.6)	$ 42.0
Tax expense	—	—	(1.0)	(1.0)	—	(1.0)
After tax amount	—	39.2	2.4	41.6	(0.6)	41.0
Amounts reclassified from accumulated other comprehensive loss [2]	(1.8)	—	0.9	(0.9)	—	(0.9)
Net current period other comprehensive (loss) income	(1.8)	39.2	3.3	40.7	$ (0.6)	$ 40.1
Balance at June 30, 2023	$ (34.6)	$ (74.5)	$ (5.8)	$ (114.9)		

(1) Includes gains and losses on intra-foreign currency transactions that are of a long-term investment nature.
(2) Amounts are net of tax.

Reclassifications out of accumulated other comprehensive loss include:

	Three Months Ended June 30, 2024		
	Amortization of Pension and Postretirement [1] Net Loss Recognized	Loss on Derivative Instruments	Total
Affected line in the Consolidated Statement of Operations:			
Net revenue	$ —	$ 0.9	$ 0.9
Cost of goods sold	—	0.1	0.1
Operating expenses	26.8	4.3	31.1
Total before tax	$ 26.8	$ 5.3	32.1
Tax expense			(6.6)
Total reclassifications for the period, net of tax			$ 25.5

	Nine Months Ended June 30, 2024		
	Amortization of Pension and Postretirement [1] Net Loss Recognized	Loss on Derivative Instruments	Total
Affected line in the Consolidated Statement of Operations:			
Net revenue	$ —	$ 0.8	$ 0.8
Cost of goods sold	—	0.4	0.4
Operating expenses	34.9	5.3	40.2
Total before tax	$ 34.9	$ 6.5	41.4
Tax expense			(8.7)
Total reclassifications for the period, net of tax			$ 32.7

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

	Three Months Ended June 30, 2023			
	Amortization of Pension and Postretirement [(1)]			
	Net Gain Recognized	Prior Service Costs Recognized	Loss (Gain) on Derivative Instruments	Total
Affected line in the Consolidated Statement of Operations:				
Net revenue	$ —	$ —	$ 0.2	$ 0.2
Cost of goods sold	—	—	(0.2)	(0.2)
Operating expenses	(0.2)	—	0.5	0.3
Total before tax	$ (0.2)	$ —	$ 0.5	0.3
Tax expense				(0.1)
Total reclassifications for the period, net of tax				$ 0.2

	Nine Months Ended June 30, 2023			
	Amortization of Pension and Postretirement [(1)]			
	Net Gain Recognized	Prior Service Costs Recognized	Loss (Gain) on Derivative Instruments	Total
Affected line in the Consolidated Statement of Operations:				
Net revenue	$ —	$ —	$ 0.2	$ 0.2
Cost of goods sold	—	—	(1.2)	(1.2)
Operating expenses	(0.5)	—	1.5	1.0
Gain on divestiture of discontinued operations (net of income tax expense)	(1.4)	(0.1)	—	(1.5)
Total before tax	$ (1.9)	$ (0.1)	$ 0.5	(1.5)
Tax expense				0.6
Total reclassifications for the period, net of tax				$ (0.9)

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

14. Share-Based Compensation

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2024	2023	2024	2023
Share-based compensation costs	$ 5.0	$ 4.9	$ 14.9	$ 14.0
Less impact of income taxes	1.2	1.1	3.5	3.2
Share-based compensation costs, net of tax	$ 3.8	$ 3.8	$ 11.4	$ 10.8

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 nine months ended June 30, 2024, the Company made the following grants:

	Number of Units
Time-based stock awards	385,739
Performance-based stock awards (maximum that can be earned)	479,410

The Company's time-based stock awards and performance-based stock awards granted during the nine months ended June 30, 2024 had weighted-average grant date fair values of $39.64 and $41.44, respectively. Included in the performance-based stock awards granted during the nine months ended June 30, 2024 are264,234 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 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 June 30, 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 June 30, 2024	Fair Value at June 30, 2024 Using Inputs Considered as:		
		Level 1	Level 2	Level 3
Assets:				
Cash and cash equivalents	$ 223.8	$ 223.8	$ —	$ —
Restricted cash	0.8	0.8	—	—
Investments in Rabbi trust	4.4	4.4	—	—
Derivative instruments	18.0	—	18.0	—
Liabilities:				
Facility	498.6	—	498.6	—
$200 term loan	185.0	—	185.0	—
€185 term loan	190.4	—	190.4	—
$350 senior unsecured notes	350.0	303.1	—	—
$375 senior unsecured notes	374.8	369.1	—	—
$500 senior unsecured notes	500.0	502.3	—	—
Derivative instruments	14.6	—	14.6	—

	Carrying Value at September 30, 2023	Fair Value at September 30, 2023 Using Inputs Considered as:		
		Level 1	Level 2	Level 3
Assets:				
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	—
Liabilities:				
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 and cross-currency swap agreements 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 observable 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

During the three months ended June 30, 2024, Hillenbrand entered into cross-currency swap agreements aiming to hedge the variability in the movement of foreign currency exchange rates for its operations in Europe, while simultaneously lowering the Company's overall borrowing costs. The maturity dates of these agreements range from 2027 to 2029. These agreements qualify for hedge accounting and accordingly the changes in fair value of the derivatives are recorded in other comprehensive (loss) income and remain in accumulated other comprehensive loss attributable to Hillenbrand in shareholders' equity until the hedged item is recognized in earnings. We assess the effectiveness of cross-currency swap contracts using the spot method, and the difference between the interest rate received and paid under the cross-currency swap agreements is recorded in interest expense, net, in the Consolidated Statements of Operations. As a result of entering into these cross-currency swap agreements, Hillenbrand recorded a reduction in interest expense, net of $1.2 during the three and nine months ended June 30, 2024.

Hillenbrand presents the cross-currency swap agreements periodic settlements in operating activities in the Consolidated Statements of Cash Flows.

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 the cross currency swap agreements was $694.3 and $0 at June 30, 2024 and September 30, 2023, respectively. The aggregate notional value of the foreign currency exchange forward contract derivatives was $159.1 and $164.6 at June 30, 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 June 30,		Nine Months Ended June 30,	
	2024	2023	2024	2023
Net revenue				
Advanced Process Solutions	$ 569.4	$ 464.7	$ 1,696.9	$ 1,308.0
Molding Technology Solutions	217.2	251.9	648.3	755.2
Total	$ 786.6	$ 716.6	$ 2,345.2	$ 2,063.2
Adjusted EBITDA [1]				
Advanced Process Solutions	$ 109.2	$ 93.6	$ 306.0	$ 238.1
Molding Technology Solutions	34.6	50.8	100.3	141.4
Corporate	(12.8)	(18.3)	(38.5)	(43.5)
Net revenue [2]				
United States	$ 330.4	$ 258.0	$ 978.7	$ 763.9
China	91.3	123.4	265.2	355.3
India	56.1	57.1	175.1	164.8
Germany	60.5	53.2	183.1	150.5
All other countries	248.3	224.9	743.1	628.7
Total	$ 786.6	$ 716.6	$ 2,345.2	$ 2,063.2

(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.

	June 30, 2024	September 30, 2023
Total assets		
Advanced Process Solutions	$ 3,517.0	$ 3,525.5
Molding Technology Solutions	1,579.7	1,883.0
Corporate	174.8	139.2
Total	$ 5,271.5	$ 5,547.7
Tangible long-lived assets, net		
United States	$ 136.6	$ 134.1
Germany	131.8	136.0
China	36.5	38.9
India	36.8	38.1
All other countries	98.4	84.9
Total	$ 440.1	$ 432.0

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

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2024	2023	2024	2023
Adjusted EBITDA:				
Advanced Process Solutions	$ 109.2	$ 93.6	$ 306.0	$ 238.1
Molding Technology Solutions	34.6	50.8	100.3	141.4
Corporate	(12.8)	(18.3)	(38.5)	(43.5)
Add:				
Income (loss) from discontinued operations (net of income tax expense (benefit))	—	1.0	(0.3)	461.4
Less:				
Interest expense, net	32.2	15.8	92.8	55.9
Income tax (benefit) expense	(10.5)	23.8	3.7	50.2
Depreciation and amortization	38.7	31.1	118.8	93.1
Impairment charges	265.0	—	265.0	—
Pension settlement charges	26.9	—	35.2	—
Business acquisition, divestiture, and integration costs	24.9	10.6	39.6	28.5
Inventory step-up charges	—	—	0.6	11.1
Restructuring and restructuring-related charges	0.7	0.8	24.8	2.3
Other non-recurring costs related to a discrete commercial dispute	—	—	6.1	—
Consolidated net (loss) income	$ (246.9)	$ 45.0	$ (219.1)	$ 556.3

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 June 30, 2024			Three Months Ended June 30, 2023		
	Cost of goods sold	Operating expenses	Total	Cost of goods sold	Operating expenses	Total
Advanced Process Solutions	$ 0.5	$ 0.1	$ 0.6	$ —	$ 0.1	$ 0.1
Molding Technology Solutions	4.5	(6.2)	(1.7)	0.2	0.1	0.3
Corporate	—	—	—	—	0.1	0.1
Total	$ 5.0	$ (6.1)	$ (1.1)	$ 0.2	$ 0.3	$ 0.5

	Nine Months Ended June 30, 2024			Nine Months Ended June 30, 2023		
	Cost of goods sold	Operating expenses	Total	Cost of goods sold	Operating expenses	Total
Advanced Process Solutions	$ 0.8	$ 0.3	$ 1.1	$ (0.1)	$ 1.1	$ 1.0
Molding Technology Solutions	13.7	6.6	20.3	0.2	0.6	0.8
Corporate	—	0.1	0.1	—	0.1	0.1
Total	$ 14.5	$ 7.0	$ 21.5	$ 0.1	$ 1.8	$ 1.9

During the nine months ended June 30, 2024, the Company announced a program (the "Program") to reduce costs and improve operational efficiency within the Molding Technology Solutions reportable operating segment. As a result of the refinement of estimates related to the Program, the Company recorded a reclassification from operating expenses to cost of goods sold in the Consolidated Statement of Operations during the three months ended June 30, 2024. The Company expects that substantially all of the initial costs to complete the Program, 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 $13.8 as of June 30, 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) 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 nine months ended June 30, 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 nine months ended June 30, 2024, as further discussed in our Operations Review. The material and supply chain inflation experienced during the three and nine months ended June 30, 2024 was less significant than the impact during the three and nine months ended June 30, 2023. Pricing actions and supply chain productivity initiatives have partially 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.

Impairment recorded during the quarter

In connection with the preparation of the Consolidated Financial Statements for the three months ended June 30, 2024, an interim impairment assessment was performed for select indefinite-lived intangible assets, specifically trade names, and select reporting units within the Molding Technology Solutions reportable operating segment as a result of certain triggering events and changes in circumstances discussed in detail below. Additionally, based on macroeconomic factors discussed below, and a decline in the Company's common stock price during the three months ended June 30, 2024, the Company performed a qualitative review for all of the Company's other indefinite-lived intangible assets and reporting units and determined that those indefinite-lived intangible assets and reporting units did not require an interim impairment test, as it was more likely than not that the current fair value of those indefinite-lived intangible assets and reporting units exceeded their carrying values, based on their current and projected financial performance as well as the headroom from the previous annual goodwill and indefinite-lived intangible asset impairment assessment.

For the select indefinite-lived intangible assets and reporting units within the Molding Technology Solutions reportable operating segment, an interim impairment assessment was triggered by recent macroeconomic conditions including a high interest rate and inflationary cost environment, and changing market fundamentals, coupled with recent business performance and a decrease in the Company's market capitalization, primarily relating to a decrease in common stock price. Hot runner equipment has experienced a prolonged decline in demand and the outlook for a recovery of that demand remains uncertain. There has also been an improvement in the ability of hot runner competitors to supply equipment that is capable of producing high-quality parts. As a result of these indicators, during the three months ended June 30, 2024, management developed a new five-year operating plan for the select reporting units within the Molding Technology Solutions reportable operating segment, which established a revised downward outlook for net revenue, gross profit, and operating cash flows. As a result of the change to expected future cash flows and current comparable market information used in the market approach for estimating the fair value of a certain reporting unit, the Company concluded that the carrying value for that reporting unit exceeded its fair value, resulting in a goodwill impairment charge of $238.0 during the three and nine months ended June 30, 2024. The pre-impairment goodwill balance for this reporting unit was $417.0. Additionally, under the relief-from-royalty fair value method, the Company concluded that the carrying value of a trade name exceeded its fair value associated with that same reporting unit. As a result, an impairment charge of $27.0 was recorded for this trade name during the three and nine months ended June 30, 2024.

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 and excludes Batesville.

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. As of August 1, 2024, the Schenck Process Food and Performance Materials business has been rebranded under Hillenbrand's existing Coperion brand.

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 nine months ended June 30, 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 the initial costs to complete the Program, 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 nine months ended June 30, 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, impairment 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 (loss) 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 43 for a reconciliation of adjusted EBITDA to consolidated net (loss) 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 nine months ended June 30, 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 June 30,				Nine Months Ended June 30,			
	2024		2023		2024		2023	
	Amount	% of Net Revenue	Amount	% of Net Revenue	Amount	% of Net Revenue	Amount	% of Net Revenue
Net revenue	$ 786.6	100.0	$ 716.6	100.0	$ 2,345.2	100.0	$ 2,063.2	100.0
Gross profit	266.4	33.9	246.9	34.5	768.1	32.8	680.7	33.0
Operating expenses	174.2	22.1	143.6	20.0	513.5	21.9	421.1	20.4
Amortization expense	25.5		19.7		76.7		58.6	
Impairment charges	265.0		—		265.0		—	
Pension settlement charges	26.9		—		35.2		—	
Interest expense, net	32.2		15.8		92.8		55.9	
Income tax (benefit) expense	(10.5)		23.8		3.7		50.2	

Three Months Ended June 30, 2024 Compared to Three Months Ended June 30, 2023

Net revenue increased $70.0 (10%), which included unfavorable foreign currency impact (1%).

- Advanced Process Solutions net revenue increased $104.7 (23%), primarily driven by the impact of the FPM acquisition ($136.7), higher aftermarket parts and service net revenue, and favorable pricing, partially offset by a decrease in capital equipment sales volumes. Foreign currency impact decreased net revenue by 1%.

- Molding Technology Solutions net revenue decreased $34.7 (14%), primarily driven by a decrease in injection molding equipment volumes.

Gross profit increased $19.5 (8%) and gross profit margin decreased 60 basis points to 33.9%. 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 $24.4 (10%), and adjusted gross profit margin improved 10 basis points to 34.7%.

- Advanced Process Solutions gross profit increased $33.5 (20%), primarily driven by the impact of the FPM acquisition and favorable pricing, partially offset by lower volume and cost inflation. Foreign currency impact decreased gross profit by 1%. Gross profit margin decreased 90 basis points to 36.0%, primarily driven by cost inflation, partially offset by favorable pricing.

  Advanced Process Solutions gross profit included restructuring and restructuring-related charges of $0.5 in 2024 and business acquisition, disposition, and integration costs of $0.2 in 2023. Excluding these items, adjusted gross profit increased $33.8 (20%) and adjusted gross profit margin decreased 90 basis points to 36.1%.

- Molding Technology Solutions gross profit decreased $14.0 (19%) 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 170 basis points to 28.2%, 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 ($5.7 in 2024 and $0.4 in 2023) and business acquisition, disposition, and integration costs of $0.6 in 2023. Excluding these items, adjusted gross profit decreased $9.3 (12%) and adjusted gross profit margin improved 50 basis points to 30.8%.

Operating expenses increased $30.6 (21%), primarily driven by the impact of the FPM acquisition, cost inflation, and an increase in business acquisition, divestiture, and integration costs, partially offset by a decrease in restructuring and restructuring-related (adjustments) charges, an increase in equity earnings from affiliates, and cost containment. Foreign currency impact decreased operating expenses by 1%. Operating expenses as a percentage of net revenue increased by 210 basis points to 22.1%. Operating expenses included the following items:

	Three Months Ended June 30,	
	2024	2023
Business acquisition, divestiture, and integration costs	$ 24.9	$ 9.7
Restructuring and restructuring-related (adjustments) charges	(5.2)	0.5

On an adjusted basis, which excludes business acquisition, divestiture and integration costs, and restructuring and restructuring-related (adjustments) charges, operating expenses increased $21.0 (16%). Adjusted operating expenses as a percentage of net revenue increased 100 basis points to 19.6%. As a result of the refinement of estimates related to the Program, the Company recorded a reclassification from operating expenses to cost of goods sold in the Consolidated Statement of Operations during the three months ended June 30, 2024.

Impairment charges were $265.0 due to goodwill and indefinite-lived intangible asset impairments. See Note 8 of Part I, Item 1 of this Form 10-Q for further information on the impairment charges.

Pension settlement charges were $26.9 as a result of the termination and liquidation of the Plan. See Note 10 of Part I, Item 1 of this Form 10-Q for further information on pension settlement charges.

Amortization expense increased $5.8 (29%) primarily driven by the impact of the FPM acquisition.

Interest expense, net increased $16.4 (104%), 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 4.1% in 2024 compared to 35.1% in 2023. The decrease in the effective tax rate was primarily driven by the negative effect of the loss from continuing operations before income taxes, primarily driven by the impairment charges in the current year, and a decrease in the tax accrual on unrepatriated earnings.

The adjusted effective tax rate was 28.6% in 2024 compared to 30.7% 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 ($0.1 benefit in 2024 and $0.5 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 ($0.1 expense in 2023)
- Adjustments previously discussed within this section, such as business acquisition, divestiture, and integration costs ($35.3 benefit in 2024 and $7.1 benefit in 2023).

Nine Months Ended June 30, 2024 Compared to Nine Months Ended June 30, 2023

Net revenue increased $282.0 (14%).

- Advanced Process Solutions net revenue increased $388.9 (30%), primarily driven by the impact of the FPM acquisition ($412.2), favorable pricing, and higher aftermarket parts and service net revenue, partially offset by a decrease in capital equipment sales volumes. Foreign currency impact improved net revenue by 1%.

- Molding Technology Solutions net revenue decreased $106.9 (14%), primarily driven by a decrease in injection molding equipment volumes.

Gross profit increased $87.4 (13%), which included favorable foreign currency impact (1%). Gross profit margin was flat compared to the prior year at 32.8%. On an adjusted basis, which excluded inventory step-up charges related to acquisitions and restructuring and restructuring-related charges, adjusted gross profit increased $94.0 (14%), and adjusted gross profit margin was flat compared to the prior year at 33.6%.

- Advanced Process Solutions gross profit increased $137.5 (30%), primarily driven by the impact of acquisitions, favorable pricing, and favorable product mix, partially offset by a decrease in volume and cost inflation. Foreign currency impact improved gross profit by 1%. Gross profit margin was flat compared to the prior year.

  Advanced Process Solutions gross profit included inventory step-up charges related to acquisitions ($0.6 in 2024 and $11.1 in 2023) and restructuring and restructuring-related charges ($0.8 in 2024 and $1.2 in 2023). Excluding these items, adjusted gross profit increased $127.6 (27%) and adjusted gross profit margin decreased 70 basis points to 35.1%.

- Molding Technology Solutions gross profit decreased $50.1 (22%), 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 290 basis points to 26.7%, 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 $17.8 in 2024. Excluding these items, adjusted gross profit decreased $33.5 (15%) and adjusted gross profit margin decreased 20 basis points to 29.5%.

Operating expenses increased $92.4 (22%), primarily driven by the impact of the FPM acquisition, cost inflation, an increase in 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 an increase in equity earnings from affiliates. Foreign currency impact increased operating expenses by 1%. Operating expenses as a percentage of net revenue increased by 150 basis points to 21.9%. Operating expenses included the following items:

	Nine Months Ended June 30,	
	2024	2023
Business acquisition, divestiture, and integration costs	$ 39.6	$ 27.3
Restructuring and restructuring-related charges	8.6	2.0
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, andother non-recurring costs related to the discrete commercial dispute described above, operating expenses increased $67.4 (17%). Adjusted operating expenses as a percentage of net revenue increased 60 basis points to 19.6%.

Amortization expense increased $18.1 (31%) primarily driven by the impact of the FPM acquisition.

Impairment charges were $265.0 due to goodwill and indefinite-lived intangible asset impairments. See Note 8 of Part I, Item 1 of this Form 10-Q for further information on the impairment charges.

Pension settlement charges were $35.2 due to lump-sum payments made from the Plan to former employees who elected to receive such payments and the termination and liquidation of the Plan. See Note 10 of Part I, Item 1 of this Quarterly Report on Form 10-Q for further information on the pension settlement charges.

Interest expense, net increased $36.9 (66%), 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 (1.7)% in 2024 compared to 34.6% in 2023. The decrease in the effective tax rate was primarily driven by the negative effect of the loss from continuing operations before income taxes, primarily driven by the impairment charges in the current year, a decrease in the tax accrual on unrepatriated earnings, and a non-recurring prior year tax, partially offset by non-recurring prior year tax benefits related to the incentive tax rate for certain operations located in China.

The adjusted effective tax rate was 28.4% in 2024 compared to 30.0% in 2023. The adjusted effective income tax rate primarily excluded the tax effect of the following items:

- 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 ($0.2 benefit in 2024 and $0.8 expense in 2023)
- Adjustments previously discussed within this section ($63.3 benefit in 2024 and $25.7 benefit in 2023).

OPERATIONS REVIEW — Advanced Process Solutions

	Three Months Ended June 30,				Nine Months Ended June 30,			
	2024		2023		2024		2023	
	Amount	% of Net Revenue	Amount	% of Net Revenue	Amount	% of Net Revenue	Amount	% of Net Revenue
Net revenue	$ 569.4	100.0	$ 464.7	100.0	$ 1,696.9	100.0	$ 1,308.0	100.0
Gross profit	205.2	36.0	171.7	36.9	594.7	35.0	457.2	35.0
Operating expenses	112.2	19.7	85.7	18.4	327.4	19.3	251.7	19.2
Amortization expense	16.7		10.8		50.3		32.0	

Three Months Ended June 30, 2024 Compared to Three Months Ended June 30, 2023

Net revenue increased $104.7 (23%) primarily driven by the impact of the FPM acquisition ($136.7), higher aftermarket parts and service net revenue, and favorable pricing, partially offset by a decrease in capital equipment sales volumes. Foreign currency impact decreased net revenue by 1%.

Order backlog increased $131.7 (8%) from $1,604.0 at June 30, 2023, to $1,735.7 at June 30, 2024. The increase in order backlog was primarily driven by the FPM acquisition, partially offset by a decrease in capital equipment orders. Foreign currency impact decreased order backlog by 2%. On a sequential basis, order backlog decreased $141.4 (8%) to $1,735.7 at June 30, 2024, down from $1,877.1 at March 31, 2024, primarily due to a decrease in capital equipment orders.

Gross profit increased $33.5 (20%) primarily driven by the impact of the FPM acquisition and favorable pricing, partially offset by lower volume and cost inflation. Foreign currency impact decreased gross profit by 1%. Gross profit margin decreased 90 basis points to 36.0%, primarily driven by cost inflation, partially offset by favorable pricing.

Advanced Process Solutions gross profit included restructuring and restructuring-related charges of $0.5 in 2024 and business acquisition, disposition, and integration costs of $0.2 in 2023. Excluding these items, adjusted gross profit increased $33.8 (20%) and adjusted gross profit margin decreased 90 basis points to 36.1%.

Operating expenses increased $26.5 (31%) primarily driven by the impact of the FPM acquisition and an increase in business acquisition, divestiture, and integration costs. Foreign currency impact decreased operating expenses by 1%. Operating expenses as a percentage of net revenue increased 130 basis points to 19.7%.

Operating expenses included business acquisition, divestiture, and integration costs ($8.4 in 2024 and $1.7 in 2023) and restructuring and restructuring-related charges ($0.3 in 2023). Excluding these items, adjusted operating expenses increased $20.0 (24%) and adjusted operating expenses as a percentage of net revenue increased 20 basis points to 18.2%.

Amortization expense increased $5.9 (55%) primarily driven by the impact of acquisitions in the prior fiscal year.

Nine Months Ended June 30, 2024 Compared to Nine Months Ended June 30, 2023

Net revenue increased $388.9 (30%), primarily driven by the impact of the FPM acquisition ($412.2), favorable pricing, and higher aftermarket parts and service net revenue, partially offset by a decrease in capital equipment sales volumes. Foreign currency impact improved net revenue by 1%.

Gross profit increased $137.5 (30%), primarily driven by the impact of acquisitions, favorable pricing, and favorable product mix, partially offset by a decrease in volume and cost inflation. Foreign currency impact improved gross profit by 1%. Gross profit margin was flat compared to the prior year.

Advanced Process Solutions gross profit included inventory step-up charges related to acquisitions ($0.6 in 2024 and $11.1 in 2023) and restructuring and restructuring-related charges ($0.8 in 2024 and $1.2 in 2023). Excluding these charges, adjusted gross profit increased $127.6 (27%) and adjusted gross profit margin decreased 70 basis points to 35.1%.

Operating expenses increased $75.7 (30%), primarily due to the impact of the FPM acquisition and cost inflation, partially offset by lower variable compensation. Foreign currency impact increased operating expenses by 1%. Operating expenses as a percentage of net revenue increased 10 basis points to 19.3%.

Operating expenses included business acquisition, divestiture, and integration costs ($15.0 in 2024 and $4.8 in 2023) and restructuring and restructuring-related charges ($0.3 in 2024 and $1.2 in 2023). Excluding these items, adjusted operating expenses increased $66.4 (27%) and adjusted operating expenses as a percentage of net revenue improved 40 basis points to 18.4%.

Amortization expense increased $18.3 (57%) primarily driven by the impact of the FPM acquisition in the prior fiscal year.

OPERATIONS REVIEW — Molding Technology Solutions

	Three Months Ended June 30,				Nine Months Ended June 30,			
	2024		2023		2024		2023	
	Amount	% of Net Revenue	Amount	% of Net Revenue	Amount	% of Net Revenue	Amount	% of Net Revenue
Net revenue	$ 217.2	100.0	$ 251.9	100.0	$ 648.3	100.0	$ 755.2	100.0
Gross profit	61.2	28.2	75.2	29.9	173.4	26.7	223.5	29.6
Operating expenses	41.4	19.1	31.5	12.5	130.5	20.1	103.9	13.8
Amortization expense	8.8		8.9		26.4		26.6	
Impairment charges	265.0		—		265.0		—	

Three Months Ended June 30, 2024 Compared to Three Months Ended June 30, 2023

Net revenue decreased $34.7 (14%), primarily driven by a decrease in injection molding equipment volumes.

Order backlog decreased $28.0 (11%) from $266.4 at June 30, 2023, to $238.5 at June 30, 2024. The decrease in order backlog was primarily driven by the execution of existing backlog. On a sequential basis, order backlog increased $8.7 (4%) to $238.5 at June 30, 2024, up from $229.8 at March 31, 2024.

Gross profit decreased $14.0 (19%) 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 170 basis points to 28.2%.

Molding Technology Solutions gross profit included restructuring and restructuring-related charges ($5.7 in 2024 and $0.4 in 2023) and business acquisition, disposition, and integration costs of $0.6 in 2023. Excluding these items, adjusted gross profit decreased $9.3 (12%) and adjusted gross profit margin improved 50 basis points to 30.8%.

Operating expenses increased $9.9 (31%), primarily driven by an increase in business acquisition, divestiture, and integration costs and an increase in trade show expenses in the current year, partially offset by a decrease in restructuring and restructuring-related charges (adjustments), savings from restructuring actions, and cost containment actions. Operating expense as a percentage of net revenue increased 660 basis points to 19.1%.

Operating expenses included restructuring and restructuring-related charges (adjustments) (($5.2) in 2024 and $0.4 in 2023) and business acquisition, divestiture, and integration costs of $9.1 in 2024. Excluding these charges, adjusted operating expenses increased $6.4 (21%) and adjusted operating expenses as a percentage of net revenue increased 500 basis points to 17.3%.

Impairment charges were $265.0 due to goodwill and indefinite-lived intangible asset impairments. See Note 8 of Part I, Item 1 of this Form 10-Q for further information on the impairment charges.

Nine Months Ended June 30, 2024 Compared to Nine Months Ended June 30, 2023

Net revenue decreased $106.9 (14%), primarily driven by a decrease in injection molding equipment volumes.

Gross profit decreased $50.1 (22%), 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 290 basis points to 26.7%, 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 $17.8 in 2024. Excluding these items, adjusted gross profit decreased $33.5 (15%) and adjusted gross profit margin decreased 20 basis points to 29.5%.

Operating expenses increased $26.6 (26%), primarily driven by an increase in business acquisition, divestiture, and integration costs, an increase in restructuring and restructuring-related charges, an increase in trade show expenses in the current year, cost inflation, 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 savings from restructuring actions and cost containment actions. Operating expense as a percentage of net revenue increased 630 basis points to 20.1%.

Operating expenses included business acquisition, divestiture, and integration costs ($9.1 in 2024 and $1.8 in 2023), restructuring and restructuring related charges ($8.1 in 2024 and $0.6 in 2023), and other non-recurring costs of $6.1 in 2024 related to the discrete commercial dispute described above. Excluding these items, adjusted operating expenses increased $5.8 (6%) and adjusted operating expenses as a percentage of net revenue increased 310 basis points to 16.5%.

Impairment charges were $265.0 due to goodwill and indefinite-lived intangible asset impairments. See Note 8 of Part I, Item 1 of this Form 10-Q for further information on the impairment charges.

REVIEW OF CORPORATE EXPENSES

	Three Months Ended June 30,				Nine Months Ended June 30,			
	2024		2023		2024		2023	
	Amount	% of Net Revenue	Amount	% of Net Revenue	Amount	% of Net Revenue	Amount	% of Net Revenue
Core operating expenses	$ 13.3	1.7	$ 18.6	2.6	$ 40.1	1.7	$ 44.7	2.3
Business acquisition, divestiture, and integration costs	7.3	0.9	7.6	1.1	15.4	0.7	20.7	1.0
Restructuring and restructuring-related charges	—	—	0.2	—	0.1	—	0.2	—
Operating expenses	$ 20.6	2.6	$ 26.4	3.7	$ 55.6	2.4	$ 65.6	3.3

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), integrating completed acquisitions (including severance), and accelerating cost saving initiatives across the enterprise. These expenses are incurred in the Advanced Process Solutions and Molding Technology Solutions reportable operating segments, and at Corporate.

Three Months Ended June 30, 2024 Compared to Three Months Ended June 30, 2023

Operating expenses decreased $5.8 (22%), primarily due to a decrease in strategic investments and an increase in equity earnings from affiliates. These expenses as a percentage of net revenue were 2.6%, an improvement of 110 basis points from the prior year.

Core operating expenses decreased $5.3 (28%), primarily due to a decrease in strategic investments and an increase in equity earnings from affiliates. These expenses as a percentage of net revenue were 1.7%, an improvement of 90 basis points from the prior year.

Nine Months Ended June 30, 2024 Compared to Nine Months Ended June 30, 2023

Operating expenses decreased $10.0 (15%), primarily due to a decrease in business acquisition, divestiture, and integration costs, a decrease in strategic investments, and an increase in equity earnings from affiliates. These expenses as a percentage of net revenue were 2.4%, an improvement of 90 basis points from the prior year.

Core operating expenses decreased $4.6 (10%), primarily due to a decrease in strategic investments and an increase in equity earnings from affiliates. These expenses as a percentage of net revenue were 1.7%, an improvement of 60 basis points from the prior year.

NON-GAAP OPERATING PERFORMANCE MEASURES

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

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2024	2023	2024	2023
Consolidated net (loss) income	$ (246.9)	$ 45.0	$ (219.1)	$ 556.3
Interest expense, net	32.2	15.8	92.8	55.9
Income tax (benefit) expense	(10.5)	23.8	3.7	50.2
Depreciation and amortization	38.7	31.1	118.8	93.1
Consolidated EBITDA	(186.5)	115.7	(3.8)	755.5
(Income) loss from discontinued operations (net of income tax expense (benefit))	—	(1.0)	0.3	(461.4)
Impairment charges (1)	265.0	—	265.0	—
Pension settlement charges (2)	26.9	—	35.2	—
Business acquisition, divestiture, and integration costs (3)	24.9	10.6	39.6	28.5
Inventory step-up charges	—	—	0.6	11.1
Restructuring and restructuring-related charges (4)	0.7	0.8	24.8	2.3
Other non-recurring costs related to a discrete commercial dispute	—	—	6.1	—
Adjusted EBITDA from continuing operations	$ 131.0	$ 126.1	$ 367.8	$ 336.0

(1) Hillenbrand recorded impairment charges to goodwill and certain indefinite-lived intangible assets within the Molding Technology Solutions reportable operating segment during the three and nine months ended June 30, 2024. See Note 8 of Part I, Item 1 of this Form 10-Q for more information.

(2) The pension settlement charges during the three and nine months ended June 30, 2024 were due to lump-sum payments made from the Plan to former employees who elected to receive such payments and the termination and liquidation of the Plan.

(3) Business acquisition, divestiture, and integration costs during the three and nine months ended June 30, 2024, primarily included costs associated with the integration of recent acquisitions. Business acquisition, divestiture, and integration costs during the three and nine months ended June 30, 2023, primarily included professional fees related to acquisitions and costs associated with the integration of recent acquisitions.

(4) Restructuring and restructuring-related charges primarily included severance costs during the three and nine months ended June 30, 2024 and 2023.

Three Months Ended June 30, 2024 Compared to Three Months Ended June 30, 2023

Consolidated net (loss) income decreased $291.9 (649%) for the three months ended June 30, 2024, compared to the same period in fiscal 2023. The decrease was primarily driven by the impairment charges, pension settlement charges, lower volume, an increase in interest expense, cost inflation, an increase in 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 $4.9 (4%) for the three months ended June 30, 2024, compared to the same period in fiscal 2023. The increase was primarily driven by the impact of the FPM acquisition, favorable pricing, and cost containment, partially offset by lower volume and cost inflation.

Nine Months Ended June 30, 2024 Compared to Nine Months Ended June 30, 2023

Consolidated net (loss) income decreased $775.4 (139%) for the nine months ended June 30, 2024, compared to the same period in 2023. The decrease was primarily driven by the decrease in total income from discontinued operations, impairment charges, lower volume, cost inflation, an increase in interest expense, pension settlement charges, an increase in restructuring and restructuring-related charges, an increase in 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, favorable product mix, a decrease in inventory step-up charges, and cost containment.

Consolidated adjusted EBITDA from continuing operations increased $31.8 (10%) for the nine months ended June 30, 2024, compared to the same period in 2023. The increase was primarily driven by the impact of acquisitions, favorable pricing, favorable product mix, and cost containment, partially offset by lower volume and cost inflation.

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 nine 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 June 30, 2024, we had $482.7 of borrowing capacity under the Facility, of which $455.7 was immediately available based on our most restrictive covenant. The available borrowing capacity reflects a reduction of $18.7 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 June 30, 2024, we had guarantee arrangements totaling $572.0, under which $379.3 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 June 30, 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 $180.9 at June 30, 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 June 30, 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 June 30, 2024.

Our anticipated contribution to our defined benefit pension plans in fiscal 2024 is $10.9, of which $6.2 was made during the nine months ended June 30, 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 June 30, 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

	Nine Months Ended June 30,	
	2024	**2023**
Cash flows provided by (used in):		
Operating activities from continuing operations	$ 24.8	$ 133.6
Investing activities from continuing operations	(40.2)	25.0
Financing activities from continuing operations	13.4	21.4
Net cash flows from discontinued operations	(23.3)	(117.0)
Effect of exchange rates on cash and cash equivalents	(0.3)	(9.3)
Net cash flows	$ (25.6)	$ 53.7

Operating Activities

Operating activities from continuing operations provided $24.8 of cash during the nine months ended June 30, 2024, and provided $133.6 of cash during the nine months ended June 30, 2023, an $108.8 decrease. The decrease in operating cash flow provided by continuing operations was primarily due to unfavorable timing of working capital requirements and decline in operating results.

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 $65.2 decrease in net cash flows from investing activities from continuing operations during the nine months ended June 30, 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, as well as a decline in capital expenditures.

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 nine months ended June 30, 2024 was $13.4, primarily due to the proceeds from the 2024 Notes, partially offset by repayment of the 2020 Notes, net repayments on the Facility of $10.4 and payment of dividends on common stock. Cash provided by financing activities from continuing operations for the nine months ended June 30, 2023 was $21.4, primarily due to net borrowings on the Facility of $30.6 and the $200.0 draw on the term loan commitment, partially offset by repayment of the $100 in 4.6% Series A unsecured notes and payment of dividends on common stock.

We returned $46.8 to shareholders during the nine months ended June 30, 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.

	June 30, 2024	September 30, 2023
Combined Balance Sheets Information:		
Current assets [1]	$ 2,906.4	$ 2,710.8
Non-current assets	5,625.5	3,533.3
Current liabilities	808.8	985.1
Non-current liabilities	1,610.6	1,583.5

	Nine Months Ended June 30, 2024
Combined Statements of Operations Information:	
Net revenue [2]	$ 579.3
Gross profit	158.8
Consolidated net loss from continuing operations attributable to Obligors	(137.4)
Total income from discontinued operations (net of income tax expense) attributable to Obligors	0.3
Net loss attributable to Obligors	(137.7)

[1] Current assets include intercompany receivables from non-guarantors of $2,303.8 as of June 30, 2024 and $2,070.6 as of September 30, 2023.
[2] Net revenue includes intercompany sales with non-guarantors of $7.7 for the nine months ended June 30, 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 June 30, 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)

On August 1, 2024, the Compensation and Management Development Committee (the “Committee”) of the Company’s Board of Directors adopted a framework administered under the Company’s Stock Incentive Plan by which executives may receive a share match under certain circumstances (details below). The purpose is to provide an opportunity for senior executives to increase their investment in the Company’s common stock in order to further align their interests with those of the Company’s shareholders and to encourage their long-term retention with the Company.

This opportunity permits participants designated by the Committee to receive matching grants of restricted stock units equal to such participant’s qualifying acquisition of, and commitment to hold, shares in a specified period and in minimum and maximum amounts, each to be established by the Committee. Qualifying acquisitions include certain shares acquired through open market purchases, the exercise of stock options or upon settlement of performance-based units or restricted stock units (net of taxes). The matching restricted stock units will be granted under, and count against the share reserve of, the Stock Incentive Plan.

Except as otherwise provided by the Committee, each matching restricted stock unit will cliff vest on the third anniversary of the day after the last day of the applicable acquisition period, subject to (i) the participant’s continued employment through that date (with exceptions for death, disability or retirement or a change in control), and (ii) retention throughout the vesting period of the qualifying shares acquired. If, prior to the applicable vesting date, a participant sells (or is deemed to sell) any qualifying shares acquired, he or she automatically will forfeit the related matching restricted stock units.

The preceding description is a summary only and is qualified in its entirety by Exhibit 10.1, which is filed and incorporated herein by reference.

(c) Rule 10b5-1 Trading Plans

During the three months ended June 30, 2024, no director or officer of the Companyadopted 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.

Exhibit 3.1		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)
Exhibit 3.2		Amended and Restated Code of By-Laws of Hillenbrand, Inc., effective as of April 26, 2024 (Incorporated by reference to Exhibit 3.2 to Current Report on Form 10-Q filed April 30, 2024)
Exhibit 10.1	*	Executive Matching Shares Program
Exhibit 22		List of Guarantor Subsidiaries of Hillenbrand, Inc. (Incorporated by reference to Exhibit 22 to Quarterly Report on Form 10-Q filed February 5, 2024)
Exhibit 31.1	*	Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
Exhibit 31.2	*	Certification of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
Exhibit 32.1	*	Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
Exhibit 32.2	*	Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
Exhibit 101		The following financial statements from the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2024, 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)

* 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: August 7, 2024	BY:	/s/ Robert M. VanHimbergen
		Robert M. VanHimbergen
		Senior Vice President and Chief Financial Officer
Date: August 7, 2024	BY:	/s/ Megan A. Walke
		Megan A. Walke
		Vice President and Chief Accounting Officer

Exhibit 10.1

HILLENBRAND, INC.

EXECUTIVE MATCHING SHARES PROGRAM

Effective Date: August 1, 2024

Exhibit 10.1

HILLENBRAND, INC.
EXECUTIVE MATCHING SHARES PROGRAM

1. Purpose

The purpose of the Program is to galvanize key members of the Company's executive team to lead the Company through its long-term strategic transformation and encourage them to augment their investment in the Company by offering them an opportunity to invest in the Company's common stock on favorable terms.

2. Definitions

Capitalized terms used in this Program have the following meanings:

2.1 Acquisition Period means one or more time periods, established by the Committee, during which a Participant may acquire shares pursuant to the Program.

2.2 Award Letter means the document notifying the Participant of his or her participation in the Program along with specific terms related to such participation.

2.3 Change in Control means a "Change in Control" as defined in the Stock Incentive Plan.

2.4 Committee means the Compensation and Management Development Committee of the Board of Directors of the Company.

2.5 Company means Hillenbrand, Inc., or any successor thereto.

2.6 Disability means a long-term disability of the Participant as determined by the Committee.

2.7 Effective Date means August 1, 2024, which is the effective date of the Program.

2.8 Exchange Act means the Securities Exchange Act of 1934, as amended.

2.9 Grant Date means the date on which Matching RSUs are granted pursuant to the Program.

2.10 Holding Period means, with respect to an Acquisition Period, the time period established by the Committee during which a Participant is required to retain Newly Acquired Shares acquired during that Acquisition Period in order to have the restrictions lapse on Matching RSUs. The Holding Period for an Acquisition Period shall, unless otherwise determined by the Committee, be the period ending on the third (3rd) anniversary of the day after the last day of that Acquisition Period.

2.11 Matching RSU means a restricted stock unit awarded to a Participant at the end of an Acquisition Period under this Program pursuant to the Stock Incentive Plan.

2.12 Maximum Commitment means, with respect to each Acquisition Period, the maximum number of Newly Acquired Shares that a Participant assigned to that Acquisition Period may elect to commit to hold for the applicable Holding Period and be granted an equivalent number of Matching RSUs under the Program. For each Acquisition Period, the Maximum Commitment for a Participant shall, unless otherwise determined by the Committee, be the quotient of (a) the product of the percentage established for the Participant as the maximum by the Committee multiplied by the Participant's base salary as of a date established by the Committee (the "Maximum Dollar Cap"), divided by (b) the average of the high and low stock prices on that same date, with the result rounded to the nearest whole share.

2.13 Minimum Commitment means, with respect to each Acquisition Period, the minimum number of Newly Acquired Shares that a Participant assigned to that Acquisition Period must commit to hold for the applicable Holding Period as a condition to be granted an equivalent number of Matching RSUs under the Program. For each Acquisition Period, the Minimum Commitment for a Participant shall, unless otherwise determined by the Committee, be the quotient of (a) the product of the percentage established for the Participant as the minimum by the Committee multiplied by the Participant's base salary as of a date established by the Committee (the "Minimum Dollar Cap"), divided by (b) the average of the high and low stock prices on that same date, with the result rounded to the nearest whole share.

2.14 Newly Acquired Shares means, with respect to an Acquisition Period, shares of the Company's common stock acquired by the Participant during that Acquisition Period, including shares (a) acquired through open market purchases (including shares purchased with the after-tax proceeds of bonuses and performance cash) or the exercise of stock options; or (b) committed from the net after-tax proceeds of performance-based units or restricted stock units (or any combination thereof) that are settled during such Acquisition Period.

For the avoidance of doubt, with respect to an Acquisition Period, Newly Acquired Shares will not include shares of the Company's common stock beneficially owned by the Participant prior to that Acquisition Period, shares subject to unexercised stock options, shares subject to unvested performance-based units or restricted stock units, shares earned and vested after the end of that Acquisition Period, or shares in the Participant's 401(k) plan account.

2.15 Participant means, with respect to an Acquisition Period, an employee of the Company or a subsidiary who has been selected for participation in the Program with respect to that Acquisition Period by management and approved by the Committee.

2.16 Program means the Executive Matching Shares Program as set forth in this document and as amended from time to time.

2.17 Retirement means termination of employment, other than upon death or discharge by the Company or any subsidiary for cause (as determined by the Committee), after having (a) completed at least five years of service in the aggregate with the Company or any of its subsidiaries, and (b) reached age fifty-five (55).

2.18 Stock Incentive Plan means the Hillenbrand, Inc. Stock Incentive Plan, or any successor plan thereto, as amended from time to time.

3. Matching RSU Grant

3.1 Eligibility for Matching RSU Grant – To be eligible to receive Matching RSU grants under the Program with respect to an Acquisition Period, a Participant must satisfy each of the following requirements:

a. Establish a brokerage account with Fidelity (or such other broker as the Company may designate for purposes of the Program) by the beginning of that Acquisition Period, which account shall be used to provide evidence of continuous ownership of the Newly Acquired Shares (to the extent applicable) throughout the applicable Holding Period;

b. Acquire Newly Acquired Shares in a number between the Minimum Commitment and the Maximum Commitment during that Acquisition Period;

c. Provide documentation satisfactory to the Company of the Participant's acquisition of the Newly Acquired Shares during that Acquisition Period; and

d. Provide a written promise to the Company, in such form as is approved by the Company, to retain the Newly Acquired Shares throughout the applicable Holding Period.

The Participant also must (x) not have entered into a Rule 10b5-1 trading plan that would create actual or potential opposite-way matching transactions under Section 16 of the Exchange Act with respect to the acquisitions of the Newly Acquired Shares and (y) agree not to engage in any opposite-way matching transactions or enter into a Rule 10b5-1 trading plan that could result in such transactions with respect to the acquisitions of Newly Acquired Shares.

If the Participant satisfies each of the requirements set forth above with respect to an Acquisition Period, and continues to retain the Newly Acquired Shares and remain in the employment of the Company (and its affiliates) until the Grant Date, then the Company will, as soon as practicable following the end of that Acquisition Period, grant the Participant one Matching RSU for each such Newly Acquired Share as specified in the Participant's Award Letter.

3.2 Form of Grant – The Matching RSU grants under the Program shall be made pursuant to the Stock Incentive Plan, and the Matching RSUs so granted shall be documented in a Matching RSU award agreement approved by the Committee and shall be subject to all of the terms and conditions set forth in such award agreement and in such plan.

4. Holding Period for the Newly Acquired Shares

For each Acquisition Period, the Participant must agree that the Newly Acquired Shares with respect to which Matching RSUs are granted under this Program will not be sold, transferred, diversified, pledged or hedged, prior to the vesting of such related Matching RSUs. Any such sale, transfer, diversification, pledge or hedge of one or more Newly Acquired Shares prior to the end of the applicable Holding Period shall be deemed to disqualify 100% of the Newly Acquired Shares from being considered Newly Acquired Shares for purpose of this Program and, as a result, the Participant shall immediately forfeit 100% of the related Matching RSUs for no consideration. The applicable Holding Period requirement for a Newly Acquired Share shall end, without further action or notice, when the Matching RSU to which such Newly Acquire Share relates becomes vested.

5. Vesting of Matching RSUs

Except to the extent otherwise provided herein or determined by the Committee, all Matching RSUs granted with respect to an Acquisition Period will cliff vest on the third (3rd) anniversary of the day after the last day of that Acquisition Period and be settled in shares of the Company's common stock or cash in accordance with the terms of the Matching RSU award agreement and the Stock Incentive Plan. For the avoidance of doubt, any shares of the Company's common stock delivered to a Participant under Matching RSUs shall be paid from, and shall count against the share reserve of, the Stock Incentive Plan.

6. Potential Dividend Equivalents

The Participant may receive any dividend equivalents payable with respect to the Matching RSUs from the applicable Grant Date until the Matching RSUs vest to the extent so provided in the Matching RSU award agreement, which dividend equivalents shall be deemed reinvested in additional Matching RSUs, subject to the same terms and conditions as the original Matching RSUs, on the terms provided in the applicable award agreement. If any Matching RSUs are forfeited hereunder, the dividend equivalents credited and reinvested with respect to such Matching RSUs shall also be forfeited.

7. Disability, Death or Retirement

If a Participant's employment or service with the Company terminates as a result of Disability, death or Retirement prior to the date on which the Matching RSUs granted under this Program have vested in full, then the Participant will vest in a prorated portion of the Participant's outstanding Matching RSUs (rounded up to the nearest whole share) representing the portion of the full vesting period prior to such termination, such Matching RSUs will be settled as provided in the award agreement, and the applicable Holding Period shall cease to apply to any Newly Acquired Shares.

8. Forfeiture of Matching RSUs

Except as otherwise provided in Section 7, if the Participant's employment or service with the Company terminates for any reason prior to the date on which the Matching RSUs granted under this Program have vested in full, then all rights in and to any and all Matching RSUs granted pursuant to this Program that have not vested shall be forfeited upon such termination. In addition, if a Participant sells, transfers, pledges, hedges or otherwise disposes of one or more of the Newly Acquired Shares with respect to an Acquisition Period prior to the vesting of the related Matching RSUs (as determined by the Committee), then the Participant shall immediately forfeit 100% of such Matching RSUs for no consideration.

9. Miscellaneous

9.1 Administration of the Program – The Committee shall be the administrator of the Program; provided that the Committee may delegate ongoing administration of the Program to one of more officers of the Company or their respective delegates. In addition to the authority specifically provided herein, the Committee shall have full power to formulate additional details and regulations for carrying out this Program. The Committee shall also be empowered to make any and all of the determinations not herein specifically authorized which may be necessary or desirable for the effective administration of the Program, including the authority to reconcile inconsistencies in or supply omissions to the terms of the Program or any document issues in connection herewith, and to adjust the level of participation for any Participant. Without limiting the foregoing, the Committee is specifically authorized to establish the duration of each Acquisition Period, and the terms and conditions applicable to that Acquisition Period, in its sole and absolute discretion; provided that nothing contained herein shall require the Committee to establish an Acquisition Period, or having so established an Acquisition Period, to establish future Acquisition Periods. All determinations made by the Committee shall be final, conclusive and binding on all interested parties.

9.2 Section 16 of the Exchange Act and Insider Trading Compliance – Any purchases or sales of the Company's common stock that occur under the Program are, for the avoidance of doubt, subject to Section 16 of the Exchange Act, including the reporting and short-swing profits rules thereunder, and to the Company's insider trading policy and other applicable policies as in effect from time to time.

9.3 Amendment and Termination of Program – The Committee may at any time amend, suspend or terminate the Program in whole or in part; provided, however, that no such action shall adversely affect a Participant's rights hereunder with respect to an Acquisition Period without such Participant's written consent.

9.4 Successors and Mergers, Consolidations, or Change in Control – Except as otherwise set forth herein, the terms and conditions of this Program shall inure to the benefit of and bind the Company, the Participants, and their successors, assignees, and personal representatives. If a Change in Control shall occur while a Participant remains employed by, or in the service of, the Company and its affiliates, then the Matching RSUs shall vest in full immediately prior to the Change in Control (and the applicable Holding Period shall cease to apply to any Newly Acquired Shares) and shall otherwise be subject to Section 14 of the Stock Incentive Plan. The rights and obligations of the Matching RSUs shall otherwise be those outlined in the Stock Incentive Plan and in the Matching RSU award agreement.

9 . 5 Employment or Future Eligibility to Participate Not Guaranteed – Nothing contained in this Program, nor any action taken hereunder, shall be construed as a contract of employment or as giving any Participant any right to be retained in the employ of the Company or any affiliate. No eligible employee shall have the right to be selected to participate in an Acquisition Period under the Program, or having been so selected, to be selected to participate in future Acquisition Periods.

9 . 6 No Transferability – A Participant's right to purchase Newly Acquired Shares or to receive Matching RSUs under this Program shall not be transferable.

9 . 7 Gender, Singular and Plural – All pronouns and any variations thereof shall be deemed to refer to the masculine and feminine gender as the identity of the person or persons may require. As the context may require, the singular may be read as the plural and the plural as the singular.

9.8 Captions – The captions to the sections and paragraphs of this Program are for convenience only and shall not control or affect the meaning or construction of any of its provisions

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9 . 9 Applicable Law – This Program shall be governed and construed in accordance with the laws of the State of Indiana, without reference to conflict of law principles thereof.

9 . 1 0 Validity – In the event any provision of this Program is held invalid, void, or unenforceable, the same shall not affect, in any respect whatsoever, the validity of any other provision of this Program.

[END OF DOCUMENT]

EXHIBIT 31.1

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: August 7, 2024

/s/ Kimberly K. Ryan
Kimberly K. Ryan
President and Chief Executive Officer

EXHIBIT 31.2

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: August 7, 2024

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

EXHIBIT 32.1

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

In connection with the Quarterly Report of Hillenbrand, Inc. (the “Company”) on Form 10-Q for the period ended June 30, 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
Kimberly K. Ryan
President and Chief Executive Officer
August 7, 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.

EXHIBIT 32.2

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

In connection with the Quarterly Report of Hillenbrand, Inc. (the “Company”) on Form 10-Q for the period ended June 30, 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

Robert M. VanHimbergen
Senior Vice President and Chief Financial Officer
August 7, 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.