

HILLENBRAND

Q3 FY 2021
EARNINGS CALL PRESENTATION

August 5, 2021



Hillenbrand Participants

Joe Raver
President & CEO

Kim Ryan
EVP & CEO Successor

Kristina Cerniglia
SVP & CFO

Disclosure Regarding Forward-Looking Statements

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

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

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

Here is the key point: *Forward-looking statements* are not guarantees of future performance, and our actual results could differ materially from those set forth in any *forward-looking statements*. Any number of factors, many of which are beyond our control, could cause our performance to differ significantly from what is described in the forward-looking statements. These factors include, but are not limited to: the impact of contagious diseases such as the COVID-19 pandemic and the escalation thereof due to variant strains of the virus and the societal, governmental, and individual responses thereto, including supply chain disruption, loss of contracts and/or customers, erosion of some customers' credit quality, downgrades of the Company's credit quality, closure or temporary interruption of the Company's or suppliers' manufacturing facilities, travel, shipping and logistical disruptions, loss of human capital or personnel, and general economic calamities; risks that the integration of Milacron disrupts current operations or poses potential difficulties in employee retention or otherwise affects financial or operating results; the ability to recognize the benefits of the acquisition of Milacron or any other acquisition or disposition, including potential synergies and cost savings or the failure of the Company or any acquired company to achieve its plans and objectives generally; impairment charges to goodwill and other identifiable intangible assets; the risk of business disruptions associated with information technology, cyber-attacks, or catastrophic losses affecting infrastructure; competition in the industries in which we operate, including on price or from nontraditional sources in the death care industry; impacts of decreases in demand or changes in technological advances, laws, or regulation on the revenues that we derive from the plastics industry; our reliance upon employees, agents, and business partners to comply with laws in many countries and jurisdictions; the impact of the significant amount of indebtedness of the Company and its ability to meet its de-leveraging goals; the ability of the Company to comply with financial or other covenants in its debt agreements; global market and economic conditions, including those related to the financial markets; our level of international sales and operations; cyclical demand for industrial capital goods; continued fluctuations in mortality rates and increased cremations; the dependence of our business units on relationships with several large customers and providers; the impact to the Company's effective tax rate of changes in the mix of earnings or tax laws and certain other tax-related matters; involvement in claims, lawsuits and governmental proceedings related to operations; uncertainty in the United States political environment or global trade policy; adverse foreign currency fluctuations; increased costs or unavailability of raw materials or certain outsourced services; labor disruptions; increasing competition for highly skilled and talented workers; and the effect of certain provisions of the Company's governing documents and Indiana law that could decrease the trading price of the Company's common stock. Shareholders, potential investors, and other readers are urged to consider these risks and uncertainties in evaluating forward-looking statements and are cautioned not to place undue reliance on the forward-looking statements. For a more in-depth discussion of these and other factors that could cause actual results to differ from those contained in forward-looking statements, see the discussions under the heading "Risk Factors" in Part I, Item 1A of Hillenbrand's Form 10-K for the year ended September 30, 2020, filed with the Securities and Exchange Commission ("SEC") on November 12, 2020, and in Part II, Item 1A of Hillenbrand’s Form 10-Q for the quarter ended June 30, 2021, filed with the SEC on August 4, 2021. The forward-looking information in this release speaks only as of the date hereof, and we assume no obligation to update or revise any forward-looking information.

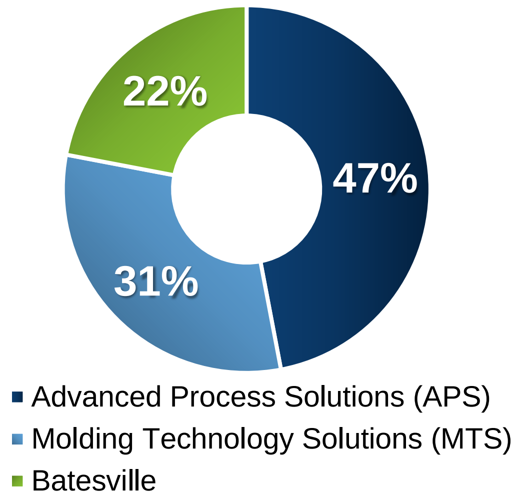
Hillenbrand Snapshot[1] (NYSE: HI)

HILLENBRAND

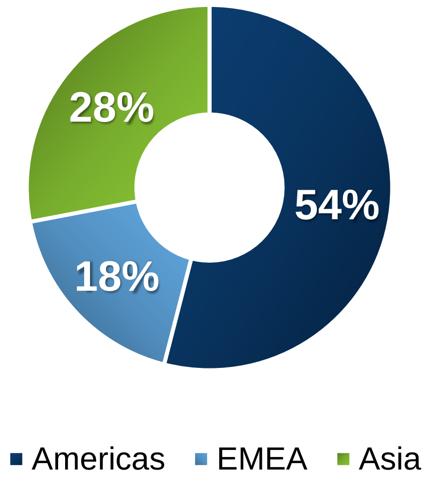
Global Diversified Industrial Company that Engineers, Manufactures, and Sells Products and Services into a Variety of End Markets

Founding Year	**1906**
Headquarters	**Batesville, IN**
Employees[2]	**~11,000**
Locations[2,3]	**40+**
PF Revenue[4,5]	**$2.5B**
PF Adj. EBITDA Margin[4,5]	**17.9%**

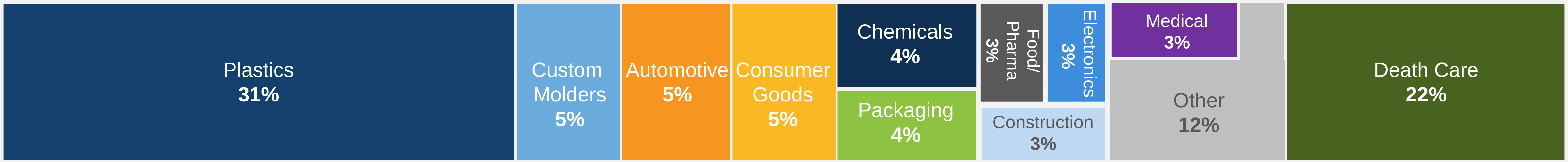
Pro Forma Revenue by Segment[4]



Pro Forma Revenue by Geography[4,6]



Diversified End Markets[4]



[1] All financial metrics exclude the divested Cimcool, Red Valve and ABEL businesses. [2]As of 9/30/2020. [3] Includes headquarters, significant manufacturing and sales & technical locations. [4] Represents total of Hillenbrand financial data for FYE 9/30/2020 as if Milacron were acquired on October 1, 2019. [5] Pro Forma Revenue and Adjusted EBITDA margin are non-GAAP measures See appendix for GAAP reconciliation. [6] Based on customer location.

CEO Retirement and Succession Plan Announced 6/2/21

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Joe Raver to retire at the end of 2021, after 27 years with the company and 8 years as CEO

Kim Ryan

Previously SVP and President of Coperion, appointed EVP and named CEO successor

Seasoned leader with an impressive growth and value creation track record across several Hillenbrand businesses

- **33 years with Hillenbrand** in key leadership roles, including **President of Batesville Casket Company** (2011 – 2015) and **President of Coperion** (2015 – 2021)
- **Actively engaging with large product platforms as they execute our profitable growth strategy**
- **Led Coperion through a period of strong revenue growth and improved profitability**
  - Achieved excellent results and built a strong management team
  - Transformed the business into a global industry leader, with revenue of ~$1 billion in 2020, a 30% increase since 2015
  - Improved EBITDA margin over 500 bps
- **Deep experience** and **strong track record** of performance**, global leadership and execution**

Exciting Time As We Enter This Next Phase Of Continued Growth And Shareholder Value Creation

Four Pillar Strategy Driving Continued Strong Results in Q3 2021

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Strengthen and Build Platforms Organically and through M&A	Manage Batesville for Cash	Build Scalable Foundation Utilizing Hillenbrand Operating Model (HOM)	Effectively Deploy Strong Free Cash Flow
Emerging capabilities in products and recycling	*Complements APS and MTS businesses with stable cash flow*	*Opportunity to roll out HOM across MTS segment*	*Increasing investments to capture demand growth*

Q3 HIGHLIGHTS

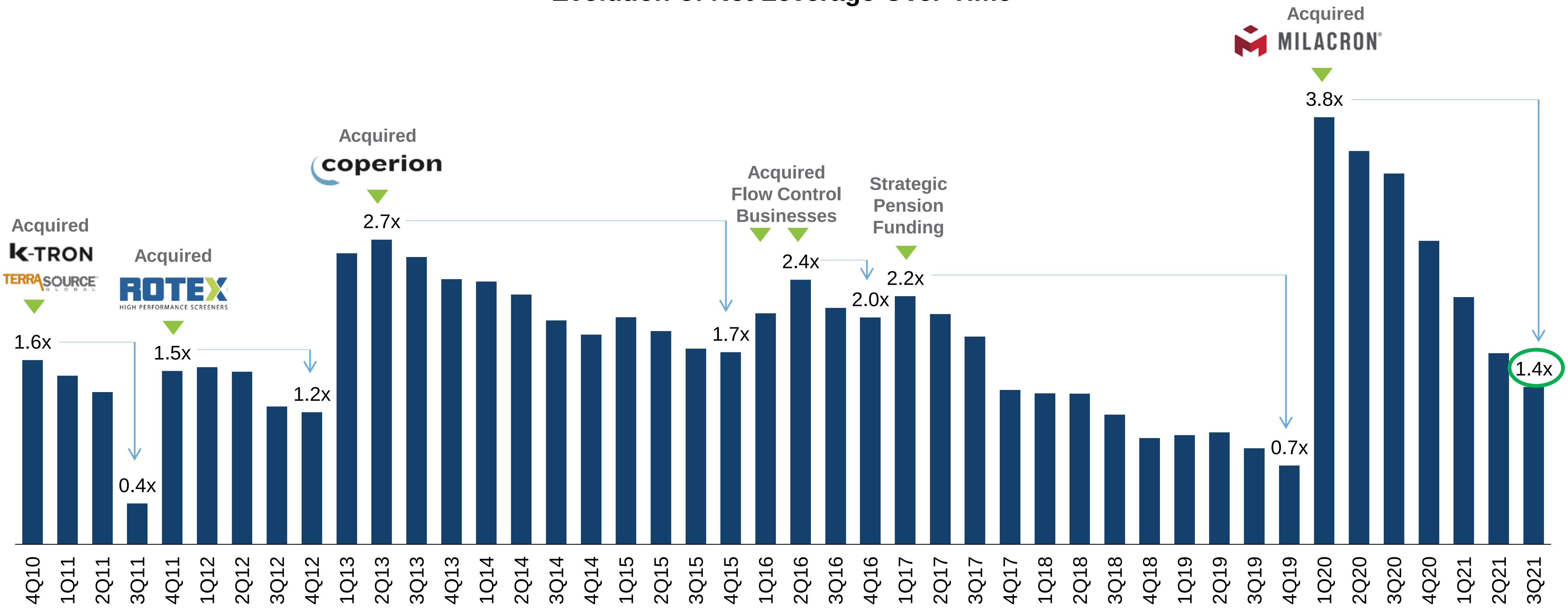
- ✓ Record order volume of \$787M drives record backlog[1] of \$1.77B, providing strong foundation for future growth
- ✓ Strong revenue growth in industrial segments with continued demand momentum across most key end markets
- ✓ Exceptional cash flow driven by favorable timing of working capital; \$100M of share repurchases through end of July 2021
- ✓ Balance sheet remains strong; net debt to EBITDA of 1.4x, down 0.3x sequentially and 2.4x since Milacron acquisition less than two years ago

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

[1] Backlog is a non-GAAP measure. See appendix for further information.

Strong Track Record of Rapidly De-leveraging Post-Transaction

Evolution of Net Leverage Over Time[1]



Source: Company filings and credit agreement compliance certificates. [1] Defined as ("Total Debt – Cash") / Consolidated EBITDA. Calculated using Consolidated EBITDA as defined in the credit agreement in effect during the relevant reporting period.

Second Annual Sustainability Report to Be Issued at End of August

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Committed to Sustainability and ESG Factors to Drive Impact

Key Milestones

2016
Launched Hillenbrand One Campaign designed to support communities

2018
Formed Sustainability Steering Committee to guide Company's efforts

1H 2019
Proactively engaged with key stakeholders to identify **sustainability-related topics most important to our business**

Sep 2019
Signed United Nations Global Compact (UNGC), a voluntary pledge to increase ESG programs and disclosure

Aug 2020
Published Inaugural Sustainability Report, summarizing perspectives and actions on governance and business ethics, labor and human rights, and environmental responsibilities

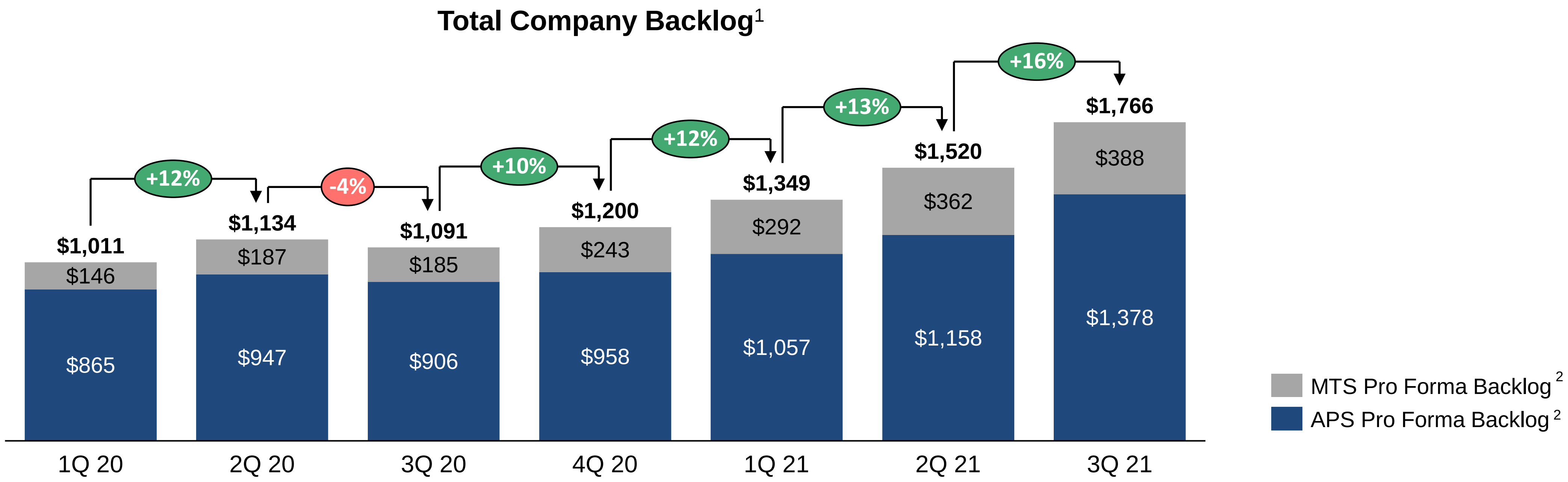
Mar 2021
Deepens commitment to sustainability with hire of **first Chief Sustainability Officer**

E S G

Sustainability Topics of Focus

- Operational Material Efficiency & Recycling
- Energy
- Emissions
- Worker Safety
- Diversity, Equity, & Inclusion
- Employment Practices
- Employee Training & Education
- Data Security
- Anti-Corruption
- Non-Discrimination
- Economic Performance
- Environmental Compliance

Strong Demand Momentum Drives Record Backlog



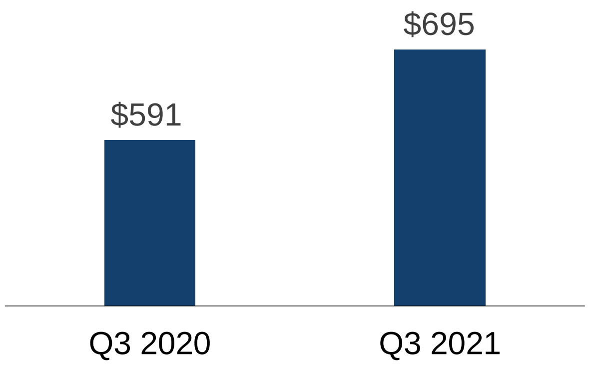
- Record order intake with robust book-to-bill[3] ratio of approximately 140% leads to fourth consecutive quarter of record backlog
- Continued demand strength for our highly engineered products and solutions across most key end markets
- Backlog position provides strong foundation for industrial segment growth into fiscal Q4 2021 and beyond

[1] $ in millions
[2] Pro forma backlog excludes Red Valve and ABEL from the APS segment and Cimcool from the MTS segment. Pro forma backlog is a non-GAAP measures. See appendix for further information.
[3] Book-to-bill ratio is calculated as APS and MTS orders received in the quarter divided by APS and MTS revenue recognized in the quarter. Book-to-bill ratio is a non-GAAP measure. See appendix for further information.

Consolidated Performance – Q3 FY 2021 ($M)

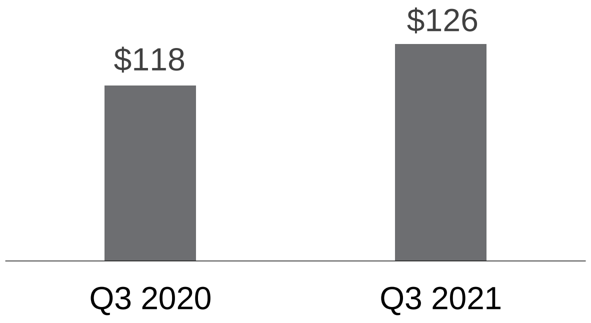
Pro Forma Revenue[1]

+18%



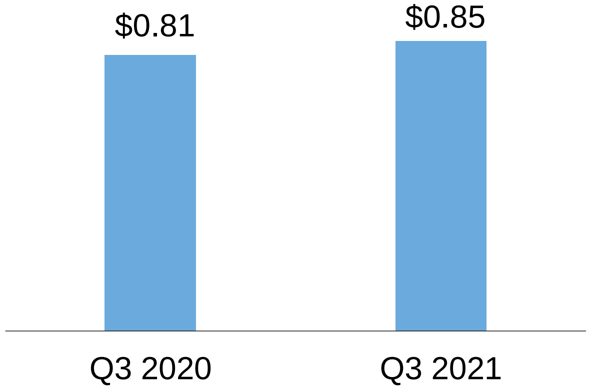
Pro Forma Adj. EBITDA[1]

+7%



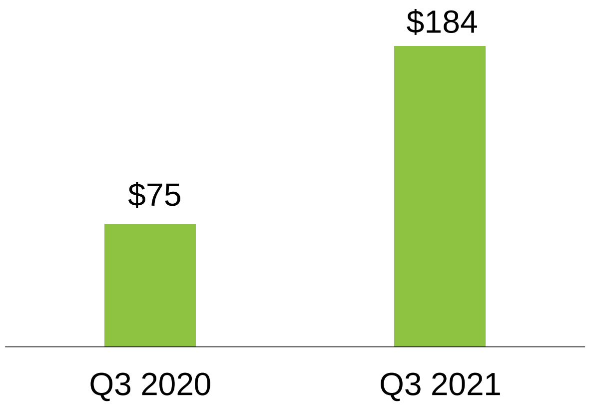
Adj. EPS[1]

+5%



Operating Cash Flow

+145%



Performance Highlights

- Revenue increased 14% as reported; pro forma revenue[1] increased 18%, which excludes Red Valve and ABEL from the prior year; excluding the impact of foreign currency, revenue increased 10% and 13% on a pro forma basis
- GAAP EPS of $0.53 increased $0.21 or 66% largely due to volume growth, productivity improvements, favorable pricing, and inventory step-up charges in the prior year that did not repeat, partially offset by inflation and unfavorable mix; adj. EPS of $0.85 increased $0.04 or 5%
- Adj. EBITDA[1] of $126M increased 4%; on pro forma basis, adj. EBITDA[1] increased 7% with adj. EBITDA margin[1] of 18.2% decreasing 170 bps
- Record backlog[1] of $1.77B, up 62% year over year on a pro forma basis driven by large polyolefin projects in APS and strong orders for injection molding, extrusion and hot runner equipment; backlog[1] increased 16% sequentially

Business Update

- Better than expected revenue for MTS and Batesville and stronger margins across all segments
- Record order volume in APS and continued solid demand in MTS drives fourth consecutive quarter of record backlog[1]
- Exceptional cash flow performance driven by favorable timing of working capital requirements, particularly strong customer advances in both APS and MTS, and higher earnings
- Return of normal operating costs in each segment following the stringent cost containment actions in the prior year

[1] Pro forma comparisons exclude Red Valve and ABEL from the prior year in the APS segment. Pro forma revenue, adjusted EPS, adjusted EBITDA, adjusted EBITDA margin and backlog are non-GAAP measures. See appendix for GAAP reconciliation.

Segment Performance: Advanced Process Solutions ($M)

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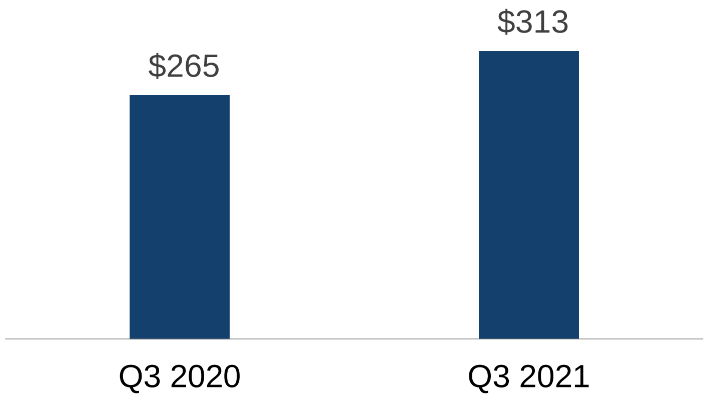
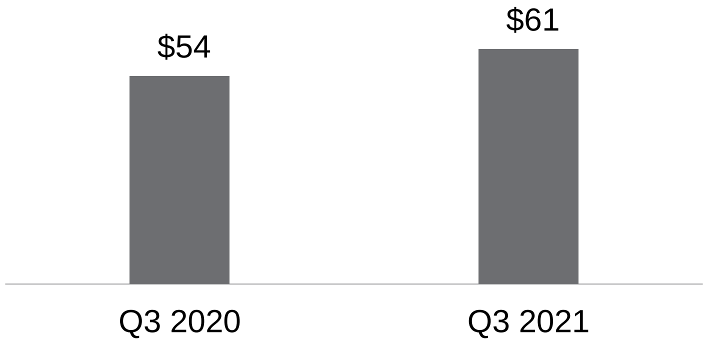
Pro Forma Revenue[1,2]

+18%



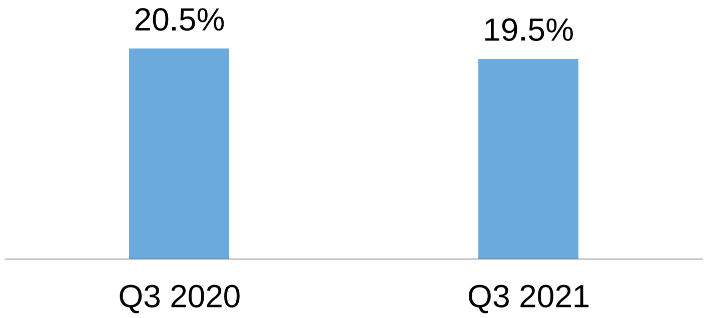
Pro Forma Adj. EBITDA[1,2]

+13%



Pro Forma Adj. EBITDA Margin[1,2]

-100 bps



Performance Highlights

- Revenue of $313M increased 11% or 18% on a pro forma basis[1] driven by large plastics projects and favorable pricing; excluding the impact of foreign currency, revenue increased 5% and 11% on a pro forma basis
- Adj. EBITDA margin[2] of 19.5% decreased 100bps vs. prior year both on as-reported and pro forma basis[1] primarily due to cost inflation and strategic investments, partially offset by productivity improvements, favorable pricing, and operating leverage from higher volume
- Record backlog[1] of $1.4B increased 52% year over year on a pro forma basis[1] and increased 19% sequentially on a pro forma basis, largely driven by continued strength in demand for large polyolefin projects

Business Update

- Record order volume largely driven by demand for large polyolefin systems, particularly in Asia; solid momentum in other end markets like engineering plastics, food and recycling
- Strong orders for aftermarket parts and services in the quarter expected to drive sequential revenue growth in the fourth quarter
- Customer advances on the high order volume drove significant cash flow; focused on strategic investments to accelerate growth
- Actively monitoring inflationary environment and taking pricing actions as appropriate to help mitigate impact to margin

[1] Pro forma results exclude Red Valve and ABEL from the prior year.
[2] Pro forma revenue, adjusted EBITDA, adjusted EBITDA margin, and backlog are non-GAAP measures. See appendix for GAAP reconciliation.

Segment Performance: Molding Technology Solutions ($M)

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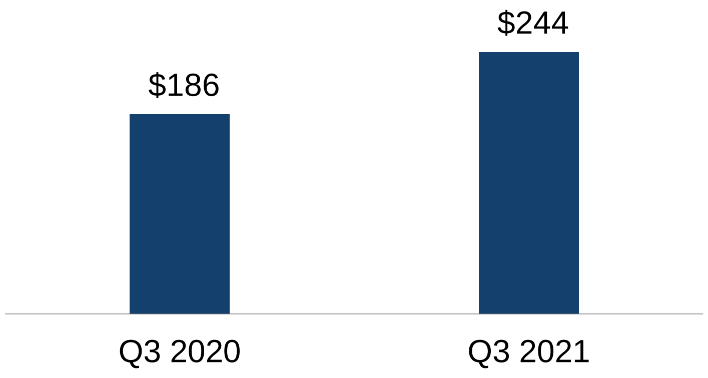
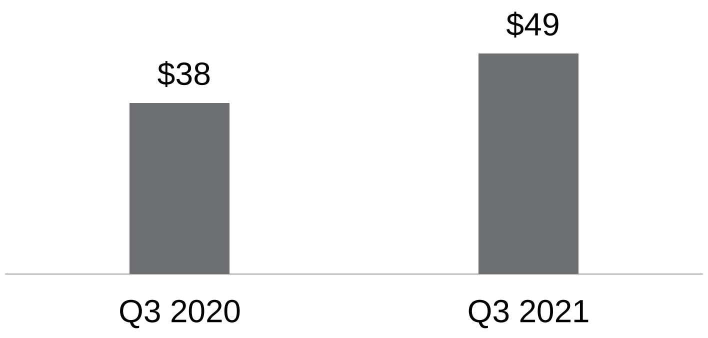
Revenue

+31%



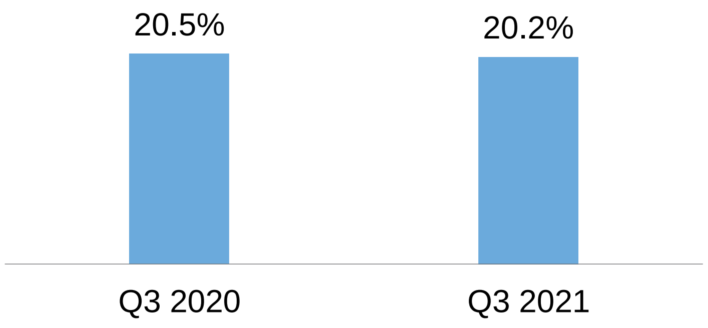
Adj. EBITDA[1]

+29%



Adj. EBITDA Margin[1]

-30 bps



Performance Highlights

- Revenue of $244M increased 31% year over year driven by increases across all product lines; excluding the impact of foreign currency, revenue increased 26%
- Adj. EBITDA margin[1] of 20.2% decreased 30 bps as the impact of unfavorable mix and cost inflation more than offset operating leverage from higher volume and productivity improvements
- Record backlog[1] of $388M increased 110% year over year primarily driven by an increase in orders for injection molding, extrusion, and hot runner equipment; backlog increased 7% sequentially

Business Update

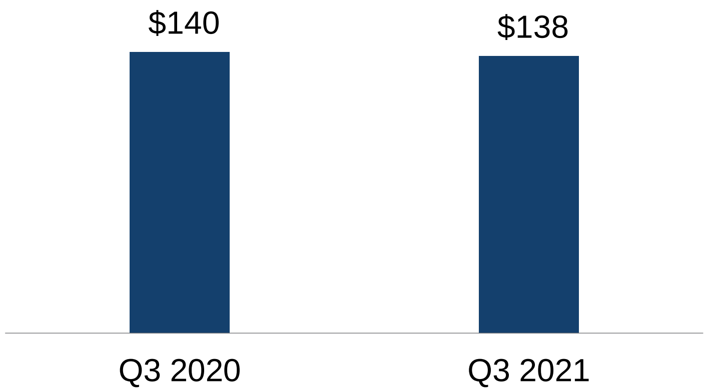
- Strong growth across all product lines, including aftermarket parts and service; order demand remained solid across most key end markets, including automotive, custom molders, construction, and electronics
- Actively monitoring inflationary environment and taking pricing actions as appropriate to help mitigate impact to margin
- Disruptions due to the ongoing chip shortage expected to negatively impact performance in the fourth quarter; working with key suppliers on mitigation efforts

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

Segment Performance: Batesville ($M)

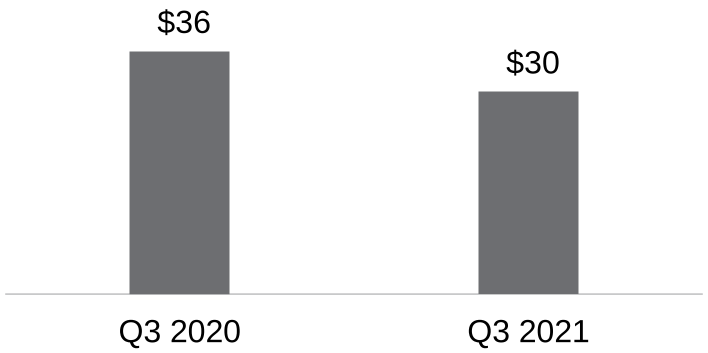
Revenue

-1%



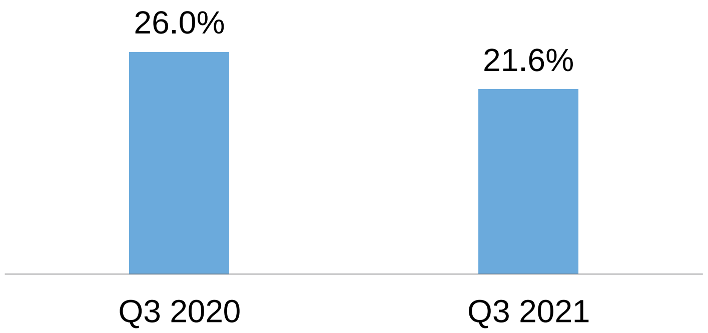
Adj. EBITDA[1]

-18%



Adj. EBITDA Margin[1]

-440 bps



Performance Highlights

- Revenue of $138 million decreased 1% year over year due to lower burial casket sales resulting from an estimated decrease in deaths associated with the COVID-19 pandemic; this decrease was partially offset by higher average selling price
- Adj. EBITDA margin[1] of 21.6% was 440 basis points lower than the prior year primarily driven by commodity and non-commodity inflation and lower volume

Business Update

- We anticipate deaths associated with COVID-19 to continue to decline during our fiscal fourth quarter compared to the prior year
- We expect margin pressure going forward due to anticipated lower volume and continued commodity inflation

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

Capital Position and Liquidity

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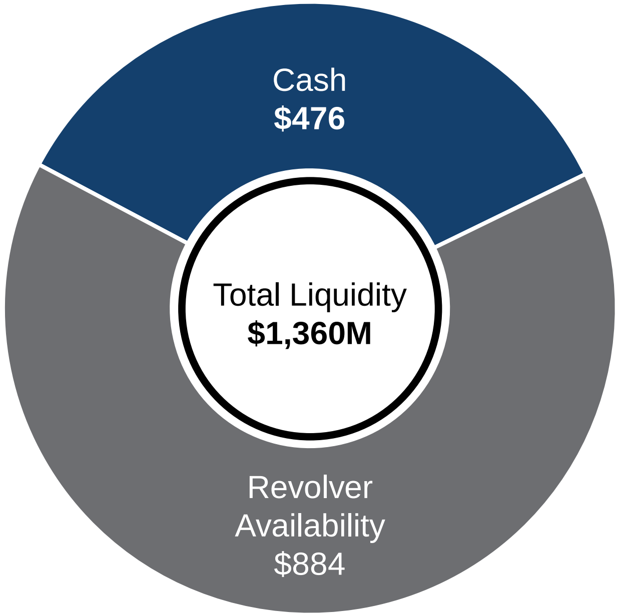
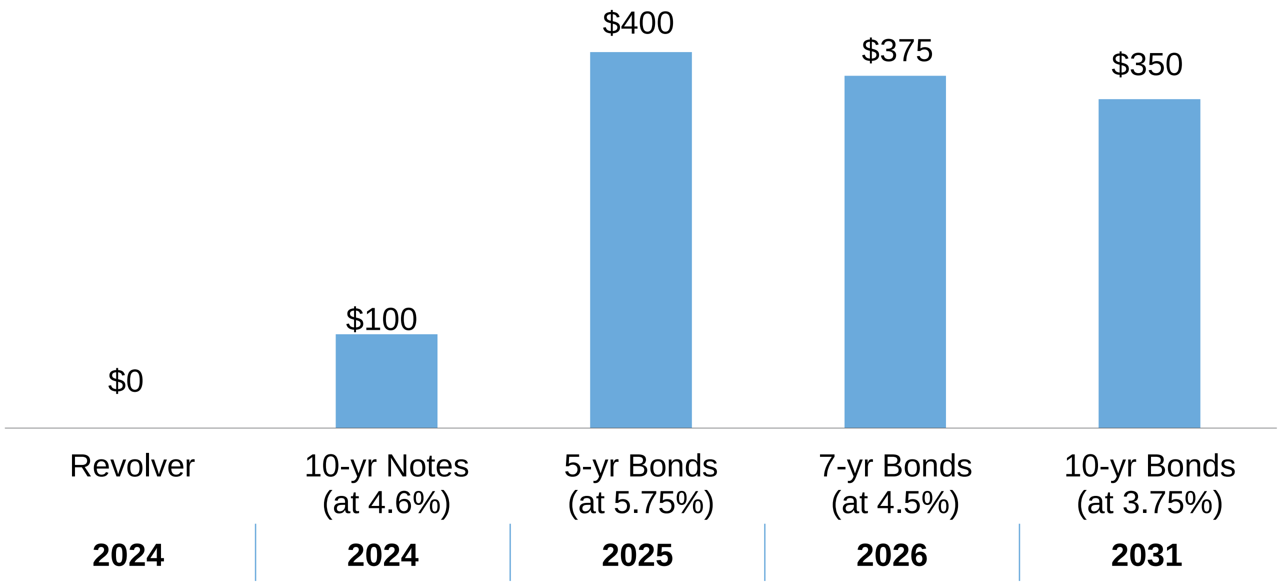
Liquidity[1] ($M)



Debt Maturity Schedule[2] ($M)



- Net debt of $736M; net leverage of 1.4x decreased 0.3x sequentially
- Share repurchases of $43M in the quarter with additional repurchases of $57M through end of July 2021; continued evaluation of opportunistic share repurchases going forward
- Returned over $16M to shareholders in dividends during Q3 FY21

[1] Cash and revolver amounts as of 6/30/21. [2] Debt maturity schedule is shown on a calendar year basis and reflects date of final payment due.

Capital Deployment Priorities

	Our Priorities
Reinvest in the Business • Drive innovation and new product development • Expand into new end markets and geographies • Annual capex target of ~3% of revenue	Strategic investments to grow profitably in line with demand
Strategic Acquisitions • Strategic focus: strengthen existing leadership positions and build targeted platforms • Remain target disciplined; seek acquisitions with compelling financial returns	Considering strategic bolt-on acquisitions
Return Cash to Shareholders • Dividend yield of 2.0%[1] • 13 consecutive years of $0.01 per share increases to dividend • Opportunistic share repurchases, primarily to offset dilution	Opportunistic share repurchases; $100M shares repurchased through end of July; $100M remaining share repurchase authorization
Reduce Debt • Post Milacron acquisition, Net Debt to Adj. EBITDA of 3.8x • Current net debt of $736M[1] with a Net Debt to Adj. EBITDA of 1.4x[1] • Strong track record of paying down debt rapidly post acquisition	Reduced leverage 2.4x since the Milacron acquisition; now below leverage guardrails

[1] As of 6/30/21.

Business Outlook & Assumptions

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		Q4 2021E		FY 2021E[1]	
		Range	YOY[2] % / bps	Range	YOY[2] % / bps
Advanced Process Solutions	Revenue ($M)	$340 - $350	9% - 12%	$1,222 - $1,232	5% - 6%
	Adj. EBITDA Margin[3]	19.5% - 20.0%	(110) – (60)	18.6% - 18.7%	(50) – (40)
Molding Technology Solutions	Revenue ($M)	$238 - $250	10% - 15%	$974 - $986	22% - 23%
	Adj. EBITDA Margin[3]	19.5% - 20.0%	(380) – (330)	20.0% - 20.1%	140 - 150
Batesville	Revenue ($M)	$135 - $138	(8%) – (6%)	$604 - $607	9% - 10%
	Adj. EBITDA Margin[3]	18.0% - 19.0%	(630) – (530)	25.0% - 25.2%	200 - 220
Total Hillenbrand	**Revenue ($M)**	**$713 - $738**	**6% - 9%**	**$2,800 - $2,825**	**11% - 12%**
	Adj. EBITDA[3] ($M)	**$121 - $132**	**(12%) – (4%)**	**$515 - $526**	**15% - 18%**
	Adj. EPS	**$0.82 – $0.92**	**(11%) - Flat**	**$3.61 - $3.71**	**13% - 16%**

Other FY2021 Assumptions

> Adj. NI	~$30-35M	~$20-25M	~$25-30M	~$59M	~$57M	~$76M	~28-30%	~75M
Free Cash Flow	Capital Expenditures	YOY Synergy Realization	Integration Costs	Depreciation	Intangible Amortization	Interest Expense	Adj. ETR[4]	Avg. Diluted Share Count

[1] Full year FY21 figures presented on Pro Forma basis, except adjusted EPS. Pro forma revenue, adjusted EBITDA, and adjusted EBITDA margin exclude Red Valve and ABEL from the APS segment. See appendix for GAAP reconciliation.
[2] YOY % / bps reflects year over year change on Pro Forma basis, except adjusted EPS. Pro forma revenue, adjusted EBITDA, and adjusted EBITDA margin are non-GAAP measures. See appendix for GAAP reconciliation.
[3] Adjusted EBITDA, adjusted EBITDA margin, adjusted NI, and adjusted EPS are non-GAAP measures. Hillenbrand does not attempt to provide reconciliations for forward-looking non-GAAP earnings guidance. See appendix for further information.
[4] Pending business dispositions may have an impact on tax rate

Key Takeaways

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01.

Demand remained strong with **record orders and backlog** positioning us well to drive growth in large platform businesses

02.

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

03.

Generated over $600M of free cash flow[1] over last 12 months; focused on **investing for profitable growth**

04.

Hillenbrand Operating Model (HOM) remain critical in **protecting our margins** and **ensuring the continuity of our global supply chain** in this challenging inflationary and macro environment

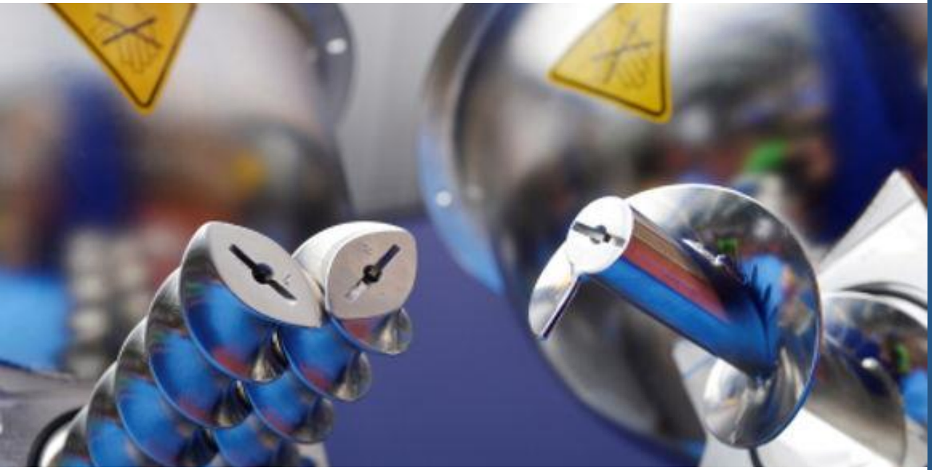
05.

CEO transition underway; Kim Ryan well positioned to drive Hillenbrand's profitable growth strategy into the future





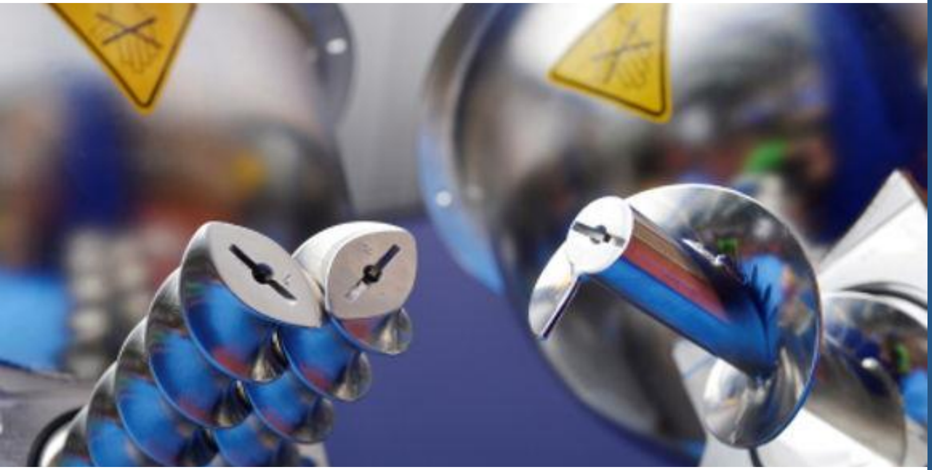
[1] Free cash flow is a non-GAAP measure. See appendix for GAAP reconciliation.



Q&A

Replay Information

- Dial-in for US and Canada: **1-877-660-6853**
- Dial-in for International: **+1-201-612-7415**
- Conference ID: **13721745**
- Date/Time: Available until midnight ET, Thursday, August 19, 2021
- Log-on to: **http://ir.hillenbrand.com**



APPENDIX

Disclosure Regarding Non-GAAP Measures

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

- business acquisition, disposition, and integration costs;
- restructuring and restructuring related charges;
- impairment charges;
- inventory step-up charges;
- intangible asset amortization;
- certain debt financing activities;
- gains and losses on divestitures;
- COVID-19 pandemic-related costs;
- the related income tax impact for all of these items; and
- the interaction of tax benefits and expenses related to the foreign income inclusion tax provisions and certain tax carryforward attributes associated with the acquisition of Milacron and divestitures, including the 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) and their impact on loss carryforwards and foreign tax credits and the revaluation of deferred tax balances as a result of functional currency fluctuations..

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

Other important non-GAAP operational measures used are backlog and book-to-bill ratio. Backlog and book-to-bill ratio are not terms recognized under GAAP; however, both are common measurements used in industries with extended lead times for order fulfillment (long-term contracts), like those in which the Advanced Process Solutions and Molding Technology Solutions reportable operating segments compete. Backlog represents the amount of net revenue that we expect to realize on contracts awarded to Advanced Process Solutions and Molding Technology Solutions reportable operating segments. For purposes of calculating backlog, 100% of estimated net revenue attributable to consolidated subsidiaries is included. Backlog includes expected net revenue from large systems and equipment, as well as aftermarket parts, components, and service. The length of time that projects remain in backlog can span from days for aftermarket parts or service to approximately 18 to 24 months for larger system sales within the Advanced Process Solutions reportable operating segment. The majority of the backlog within the Molding Technology Solutions reportable operating segment is expected to be fulfilled within the next twelve months. Backlog includes expected revenue from the remaining portion of firm orders not yet completed, as well as net revenue from change orders to the extent that they are reasonably expected to be realized. Hillenbrand includes in backlog the full contract award, including awards subject to further customer approvals, which we expect to result in revenue in future periods. In accordance with industry practice, Hillenbrand's contracts may include provisions for cancellation, termination, or suspension at the discretion of the customer. Book-to-bill ratio is calculated as orders received in the quarter divided by revenue recognized in the quarter. Given that there is no GAAP financial measure comparable to backlog or book-to-bill ratio, quantitative reconciliations are not provided.

Pro forma revenue and pro forma adjusted EBITDA are defined respectively as net revenue and adjusted EBITDA excluding net revenue and adjusted EBITDA directly attributable to Red Valve which was divested on December 31, 2020 and ABEL which was divested on March 10, 2021, excluding net revenue and adjusted EBITDA directly attributable to the Cimcool business which was divested on March 30, 2020, and including net revenue and adjusted EBITDA attributable to Milacron as if the acquisition had occurred on October 1, 2019. Hillenbrand uses pro forma measures to assess performance of its reportable segments and the Company in total without the impact of recent acquisitions and divestitures.

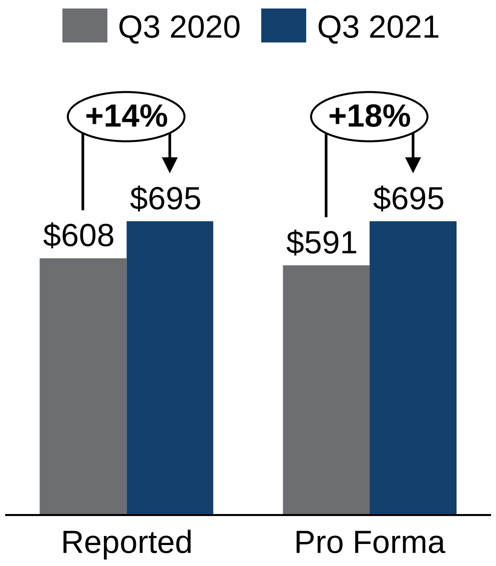
Free cash flow ("FCF") is defined as cash flow from operations less capital expenditures. Hillenbrand considers FCF an important indicator of the Company's liquidity, as well as its ability to fund future growth and to provide a return to shareholders. FCF does not include deductions for debt service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

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

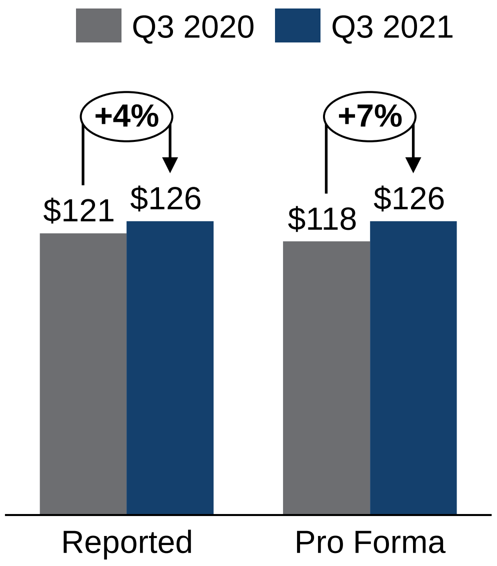
In addition, forward-looking adjusted earnings per share for the fourth quarter of fiscal 2021 excludes potential charges or gains that may be recorded during the fiscal year, including among other things, items described above in connection with other "adjusted" measures. Hillenbrand thus also does not attempt to provide reconciliations of forward-looking non-GAAP earnings guidance to the comparable GAAP measure, as permitted by Item 10(e)(1)(i)(B) of Regulation S-K, because the impact and timing of these potential charges or gains is inherently uncertain and difficult to predict and is unavailable without unreasonable efforts. In addition, the company believes such reconciliations would imply a degree of precision and certainty that could be confusing to investors. Such items could have a substantial impact on GAAP measures of Hillenbrand's financial performance.

Comparison of Reported / Pro Forma Results – Q3 FY 2021 ($M)

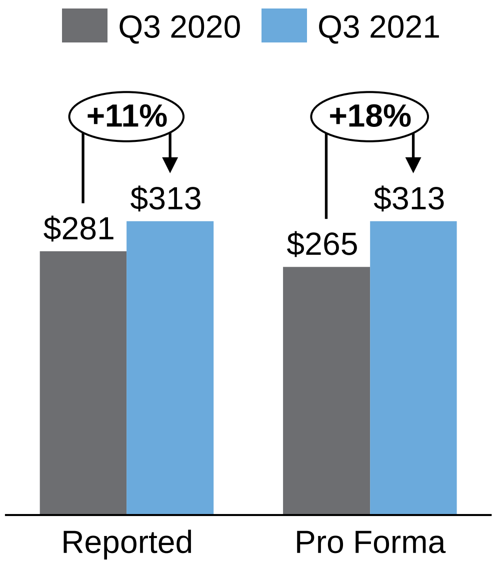
Consolidated Revenue[1]



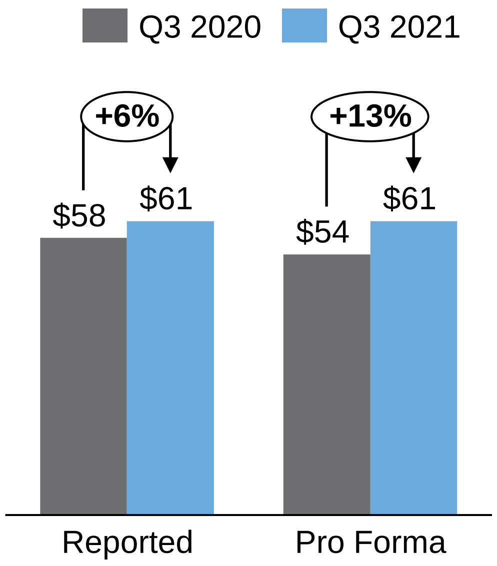
Consolidated Adj. EBITDA[1]



APS Revenue[1]



APS Adj. EBITDA[1]



Note: pro forma results exclude Red Valve and ABEL from the prior year in the APS segment

[1] Pro forma revenue, adjusted EPS, adjusted EBITDA, adjusted EBITDA margin and backlog are non-GAAP measures. See appendix for GAAP reconciliation.

Reconciliation of Adjusted EBITDA to Consolidated Net Income (Loss)

HILLENBRAND

(in millions)	Three Months Ended June 30, 2021	Three Months Ended June 30, 2020	Nine Months Ended June 30, 2021	Nine Months Ended June 30, 2020
Adjusted EBITDA:				
Advanced Process Solutions	$ 61.1	$ 57.6	$ 165.3	$ 166.6
Molding Technology Solutions	49.2	38.1	148.4	96.4
Batesville	29.8	36.4	126.7	91.4
Corporate	(13.9)	(11.1)	(41.9)	(30.9)
Less:				
Interest income	(0.9)	(0.6)	(2.5)	(2.5)
Interest expense	19.0	19.7	59.7	55.3
Income tax expense (benefit)	24.4	28.3	86.1	17.7
Depreciation and amortization	28.7	33.9	86.3	98.4
Impairment charges	-	-	-	82.5
Business acquisition, disposition, and integration costs	6.4	5.5	25.2	67.3
Restructuring and restructuring-related charges	6.5	3.6	10.2	6.7
Inventory step-up	-	3.6	-	40.7
Gain on divestiture	(0.1)	-	(65.8)	3.0
Other	0.7	2.0	1.1	2.4
Consolidated net income (loss)	$ 41.5	$ 25.0	$ 198.2	$ (48.0)

Reconciliation of Non-GAAP Measures

HILLENBRAND

	Three Months Ended June 30, 2021	Three Months Ended June 30, 2020	Nine Months Ended June 30, 2021	Nine Months Ended June 30, 2020
Net income (loss) attributable to Hillenbrand	$ 40.4	$ 24.0	$ 194.9	$ (53.1)
Impairment charges	-	-	-	82.5
Business acquisition, disposition, and integration costs	6.4	5.5	26.1	67.3
Restructuring and restructuring-related charges	6.5	3.6	10.2	6.7
Inventory step-up	-	3.6	-	40.7
Intangible asset amortization	14.1	16.4	41.8	55.2
Debt financing activities	0.9	0.3	2.9	2.3
(Gain) loss on divestiture	(0.1)	-	(65.8)	3.0
Other	0.7	2.0	1.1	2.4
Tax adjustments	2.4	10.6	19.2	18.6
Tax effect of adjustments	(6.7)	(5.0)	(19.0)	(60.3)
Adjusted net income attributable to Hillenbrand	$ 64.6	$ 61.0	$ 211.4	$ 165.3

	Three Months Ended June 30, 2021	Three Months Ended June 30, 2020	Nine Months Ended June 30, 2021	Nine Months Ended June 30, 2020
Diluted EPS	$ 0.53	$ 0.32	$ 2.57	$ (0.73)
Impairment charges	-	-	-	1.13
Business acquisition, disposition, and integration costs	0.08	0.07	0.34	0.93
Restructuring and restructuring-related charges	0.09	0.05	0.14	0.09
Inventory step-up	-	0.05	-	0.56
Intangible asset amortization	0.19	0.22	0.56	0.76
Debt financing activities	0.01	-	0.04	0.03
(Gain) loss on divestiture	-	-	(0.87)	0.04
Other	0.01	0.03	0.01	0.03
Tax adjustments	0.03	0.14	0.25	0.26
Tax effect of adjustments	(0.09)	(0.07)	(0.25)	(0.83)
Adjusted Diluted EPS	$ 0.85	$ 0.81	$ 2.79	$ 2.27

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

HILLENBRAND

(in millions)	Pro Forma Three Months Ended June 30, 2021	Pro Forma Three Months Ended June 30, 2020	Pro Forma Year Ended September 30, 2020
Consolidated net income (loss)	$ 41.5	$ 25.0	$ (53.4)
Interest income	(0.9)	(0.6)	(3.2)
Interest expense	19.0	19.7	77.4
Income tax expense (benefit)	24.4	28.3	34.9
Depreciation and amortization	28.7	33.9	130.6
EBITDA	112.7	106.3	186.3
Impairment charges	-	-	144.8
Business acquisition, disposition, and integration costs	6.4	5.5	77.2
Restructuring and restructuring-related charges	6.5	3.6	9.3
Inventory step-up	-	3.6	40.7
(Gain) loss on divestitures	(0.1)	-	3.5
Other	0.7	2.0	2.6
Adjusted EBITDA	126.2	121.0	464.4
Pro forma adjustments (see below)	-	(3.4)	(18.1)
Pro forma adjusted EBITDA	**$ 126.2**	**$ 117.6**	**$ 446.3**
Pro forma adjustments:			
Less: ABEL adjusted EBITDA [1]	$ -	$ (2.8)	$ (8.9)
Less: Red Valve adjusted EBITDA [2]	-	(0.6)	(3.4)
Less: Cimcool adjusted EBITDA [3]	-	-	(10.3)
Add: Milacron adjusted EBITDA, pre-acquisition [4]	-	-	4.5
Pro forma adjustments to adjusted EBITDA	$ -	$ (3.4)	$ (18.1)
Pro forma adjusted EBITDA by segment:			
Advanced Process Solutions	$ 61.1	$ 54.2	$ 222.2
Molding Technology Solutions	49.2	38.1	148.6
Batesville	29.8	36.4	127.1
Corporate	(13.9)	(11.1)	(51.6)
	$ 126.2	**$ 117.6**	**$ 446.3**

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

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

(3) The Cimcool business, which was included within the Molding Technology Solutions reportable segment, was divested on March 30, 2020.

(4) Milacron adjusted EBITDA for the period of October 1, 2019 to November 20, 2019 was derived from the Company's accounting records.

Reconciliation of Pro Forma Revenue to Reported Revenue

(in millions)	Pro Forma Three Months Ended June 30, 2021	Pro Forma Three Months Ended June 30, 2020	Pro Forma Year Ended September 30, 2020
Advanced Process Solutions net revenue	$ 313.4	$ 281.3	$ 1,228.6
Less: ABEL net revenue [1]	-	(9.5)	(34.2)
Less: Red Valve net revenue [2]	-	(7.2)	(32.9)
Advanced Process Solutions pro forma net revenue	**313.4**	**264.6**	**1,161.5**
Molding Technology Solutions net revenue	243.8	186.3	735.8
Less: Cimcool net revenue [3]	-	-	(53.3)
Add: Milacron net revenue, pre-acquisition [4]	-	-	115.7
Molding Technology Solutions pro forma net revenue	**243.8**	**186.3**	**798.2**
Batesville net revenue	**137.9**	**139.9**	**552.6**
Consolidated pro forma net revenue	**$ 695.1**	**$ 590.8**	**$ 2,512.3**

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

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

(3) The Cimcool business, which was included within the Molding Technology Solutions reportable segment, was divested on March 30, 2020.

(4) Milacron net revenue for the period of October 1, 2019 to November 20, 2019 was derived from the Company's accounting records.

Reconciliation of Pro Forma Backlog to Reported Backlog

HILLENBRAND

(in millions)	Pro Forma December 31, 2019	Pro Forma March 31, 2020	Pro Forma June 30, 2020	Pro Forma September 31, 2020	Pro Forma December 31, 2020	Pro Forma March 31, 2021	Pro Forma June 30, 2021
Advanced Process Solutions backlog	$ 900.9	$ 982.1	$ 938.9	$ 988.0	$ 1,070.6	$ 1,158.5	$ 1,378.0
Less: ABEL backlog [1]	(19.8)	(18.7)	(15.9)	(14.9)	(14.1)	-	-
Less: Red Valve backlog [2]	(15.9)	(16.4)	(16.8)	(15.5)	-	-	-
Advanced Process Solutions pro forma backlog	**865.3**	**946.9**	**906.2**	**957.6**	**1,056.5**	**1,158.5**	**1,378.0**
Molding Technology Solutions backlog	146.8	187.4	184.9	242.6	292.0	362.0	387.9
Less: Cimcool backlog [3]	(0.8)	(0.0)	-	-	-	-	-
Molding Technology Solutions pro forma backlog	**145.9**	**187.4**	**184.9**	**242.6**	**292.0**	**362.0**	**387.9**
Consolidated pro forma backlog	**$ 1,011.2**	**$ 1,134.3**	**$ 1,091.1**	**$ 1,200.2**	**$ 1,348.5**	**$ 1,520.5**	**$ 1,765.9**

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

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

(3) The Cimcool business, which was included within the Molding Technology Solutions reportable segment, was divested on March 30, 2020.

Reconciliation of Operating Cash Flow to Free Cash Flow

HILLENBRAND

(in millions)	Three Months Ended September 30, 2020	Nine Months Ended June 30, 2021	Last Twelve Months Ended June 30, 2021
Net cash provided by operating activities	$ 234.7	$ 442.7	$ 677.4
Less:			
Capital expenditures	(15.6)	(21.8)	(37.4)
Free cash flow	$ 219.1	$ 420.9	$ 640.0