HILLENBRAND

Our Transformation Continues

Wunderlich Roadshow - Boston

September 8, 2016

Disclosure regarding forward-looking statements

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

Throughout this presentation, we make a number of "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. As the words imply, these are statements about future plans, objectives, beliefs, and expectations that might or might not happen in the future, as contrasted with historical information. Forward-looking statements are based on assumptions that we believe are reasonable, but by their very nature are subject to a wide range of risks.

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

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

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

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

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

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

Here is the key point: Forward-looking statements are not guarantees of future performance, and our actual results could differ materially from those set forth in any forward-looking statements. Any number of factors, many of which are beyond our control, could cause our performance to differ significantly from what is described in the forward-looking statements.

For a discussion of factors that could cause actual results to differ from those contained in forward-looking statements, see the discussions under the heading "Risk Factors" in Item 1A of Part I of our Form 10-K for the period ended September 30, 2015, located on our website and filed with the SEC. We assume no obligation to update or revise any forward-looking statements.

Company & Strategy Overview

Joe Raver

President and CEO

Hillenbrand Began As A Death Care Company And Has Diversified Through Acquisitions

HILLENBRAND

2007

Hillenbrand Industries approves the separation of Hill-Rom and Batesville Casket into two independent publicly traded companies

HILLENBRAND

2008

Hillenbrand, Inc. (parent of Batesville Casket Company) begins operation April 1, 2008

Batesville

2010

K-Tron Acquisition (includes TerraSource) April 1, 2010

TRON TERRASOURCE GLOBAL

2011

Rotex acquisition September 1, 2011

ROTEX

2012

Coperion acquisition December 1, 2012

coperion confidence through partnership

2013

K-Tron merges with Coperion

TRON coperion confidence through partnership

2015

ABEL Pumps acquisition October 2, 2015

ABEL® Pump Technology

2016

Red Valve acquisition February 1, 2016

Red Valve Company, Inc.

Batesville

- Founded in 1906 and dedicated for more than 100 years to *helping families honor the lives of those they love*®
- North American leader in death care with a history of manufacturing excellence, product innovation, superior customer service, and reliable delivery

Process Equipment Group (PEG)

- PEG businesses design, develop, manufacture and service highly engineered industrial equipment around the world
- PEG is a leading global provider of compounding and extrusion equipment, flow control, bulk solids material handling equipment and systems for a wide variety of manufacturing and other industrial processes. PEG serves customers through its operating companies.

Company Overview

HILLENBRAND

Headquarters:	Batesville, IN
Market Cap (8/31/16)	~$2.0 Billion
Mfg Facilities	17 Facilities
Employees	~6,000

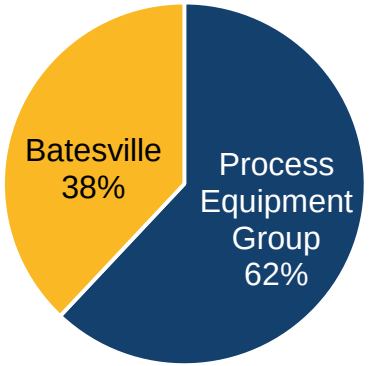
FY 2015 Results

Sales	~ $1.6 Billion
Free Cash Flow	$74 Million[1]
Dividend Yield	3.1%[2]
5-Year Revenue CAGR:	16%

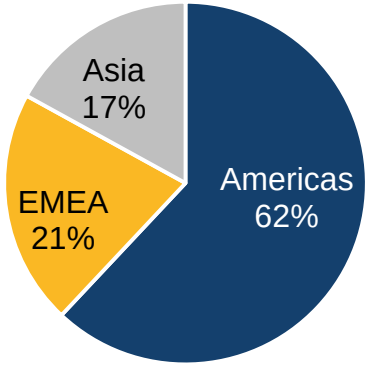
1. See Appendix for reconciliation
2. Dividend Yield as of market close 9/30/2015
3. Company Data

FY 2015 Revenue Mix

By Segment



By Geography[3]



Building a World-class Global Diversified Industrial Company

Strategic Vision

HILLENBRAND

1	Develop Hillenbrand into a world-class global diversified industrial company	• Become a recognized market leader in the diversified industrial space • Accelerate transformation through M&A
2	Leverage our strong financial foundation and the Hillenbrand Operating Model	• Deliver sustainable profit growth and FCF • Drive operational efficiencies
3	Reinvest our cash in new growth initiatives, both organic and inorganic that create shareholder value	• Leverage strength of existing businesses to expand in attractive end markets • Acquire market leading brands with strong recurring revenue

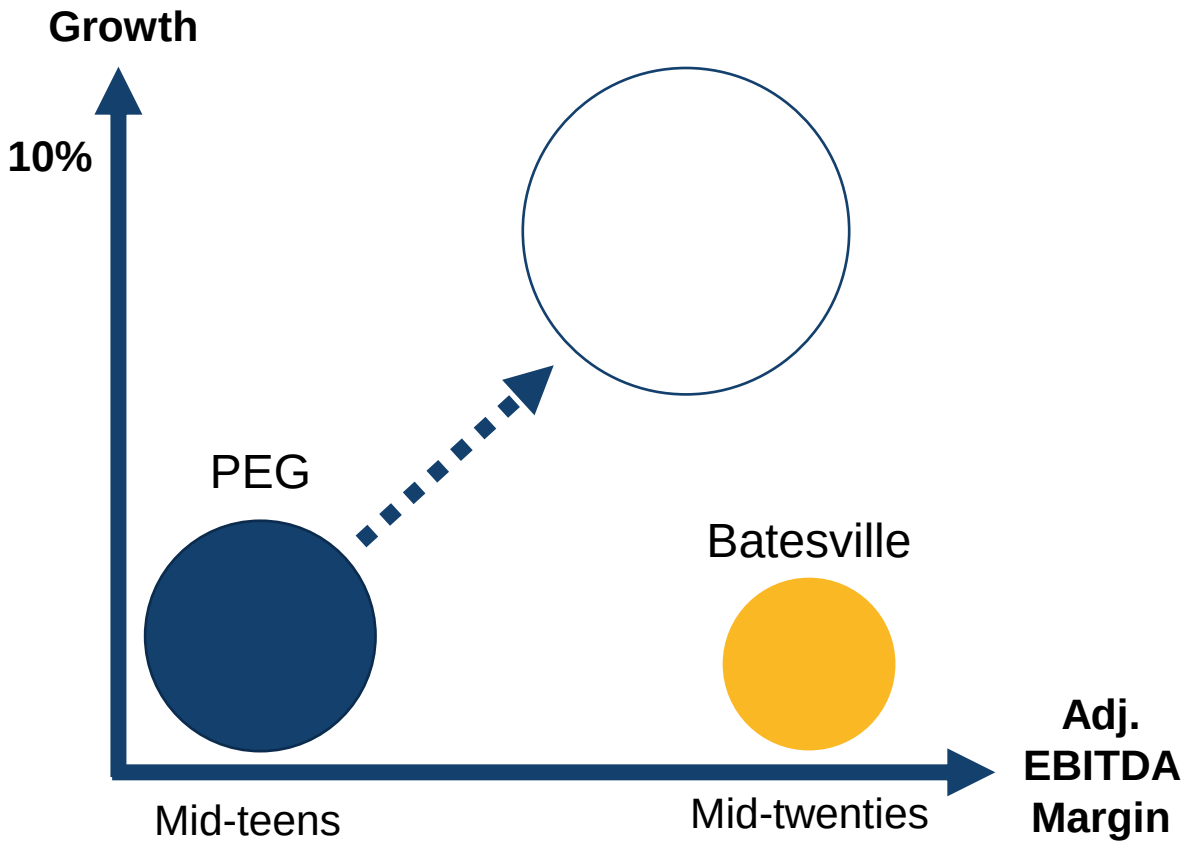
Clear Trajectory and Path to Achieve Vision

Transformation Strategy Is Founded On Commitment To Profitable Growth

HILLENBRAND

Process Equipment Group: Grow via implementation of HOM and disciplined M&A

Batesville: Maintain market leadership position and use strong free cash flow to grow PEG



The Hillenbrand Operating Model Drives Our Transformation

HILLENBRAND

Hillenbrand Operating Model

Consistent and repeatable framework designed to produce sustainable and predictable results

Defines how Hillenbrand runs the business and focuses on three key steps:

1. Understand the business
2. Focus on the critical few
3. Grow to get bigger and better

Driving profitable growth and superior value

Process Equipment Group (PEG)

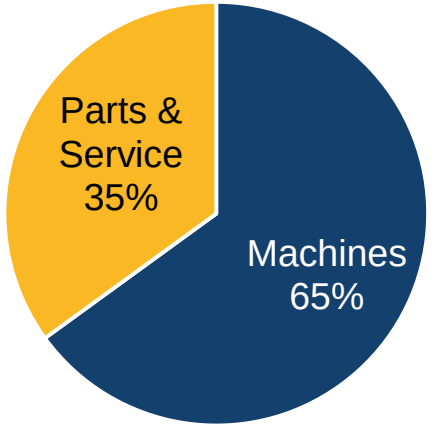
HILLENBRAND

PEG Overview

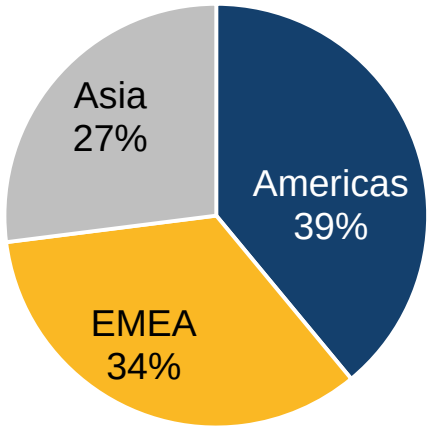
HILLENBRAND

- Highly-engineered, mission critical, niche products that are differentiated through applications expertise and drive value for customers
- Stable recurring revenue and attractive margins from parts & service
- Balanced geographic diversification
- Highly diversified customer base with a strong history of long-term relationships with blue-chip customers
- Favorable long-term mega trends
  - Rapidly expanding middle class
  - Growing global population
  - Rising demand for plastics, food, and energy

Revenue by Product Mix[1]



Revenue by Geography[1]

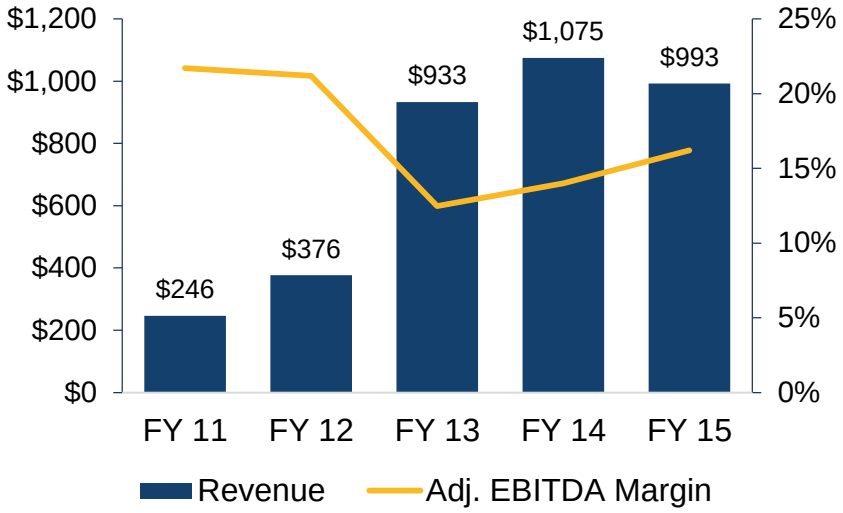


1. FY 2015 Company Data

Financial Track Record Expected To Continue

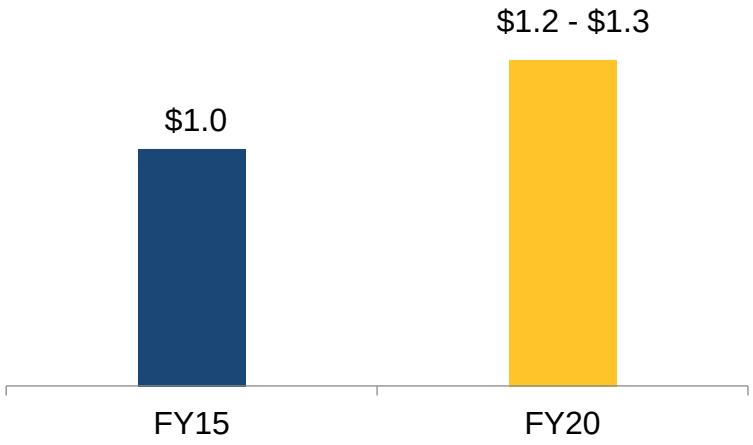
HILLENBRAND

Revenue & Adj EBITDA[1] Margin
(Millions)



- Initiatives to expand margins resulted in adj. EBITDA[1] growth of 370 bps from FY13 to FY15
  - Product mix improvement
  - Parts & service business growth
  - Strategic pricing initiatives
  - Continued implementation of Lean

PEG Revenue
(Billions)



- Expect mid-single digit organic revenue growth
- Adj. EBITDA[1] expected to grow an average rate of 100 bps per year

1. See Appendix for reconciliation

PEG Strategic Focus

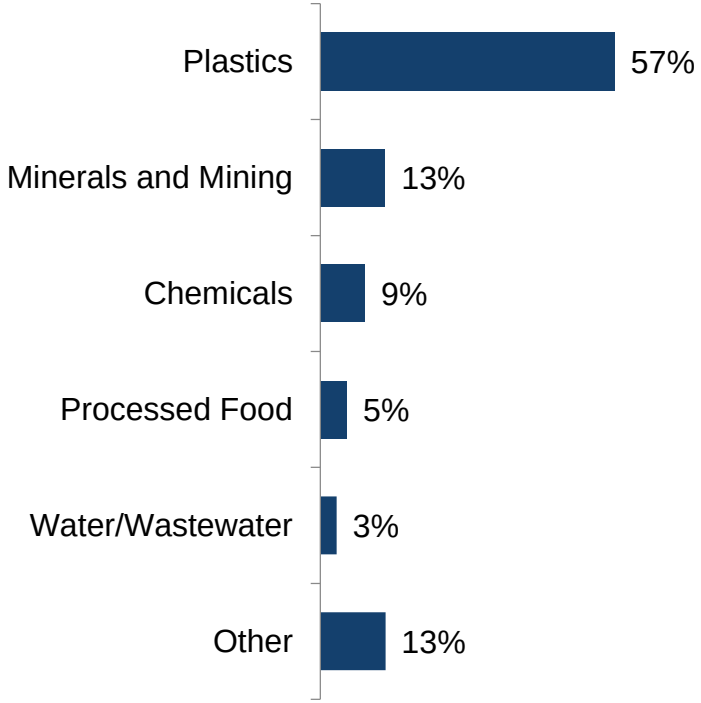
HILLENBRAND

Focused On Organic and Inorganic Growth

PEG Strategy

- Focus on niche, high-growth markets
- Leverage scope and scale to accelerate global growth
- Expand recurring revenue in our operating companies
- Achieve margin expansion through the implementation of the Hillenbrand Operating Model

End Market Diversification[1]



Other: Forest Products, Grains, Oil Seed, Pharma

1. FY 2015 Company Data

World-Class Industrial Brands

HILLENBRAND

coperion K-TRON

- Compounders and extruders
- Materials handling equipment
- Feeders and components
- System solutions
- Service and parts

ROTEX®

- Separating equipment
- Sizing equipment
- Service and parts

TERRASOURCE GLOBAL

- Crushers
- Materials handling equipment
- Service and parts

ABEL® Pump Technology

- Pumping solutions
- Service and parts

Red Valve Company, Inc.®

- Highly engineered valves
- Recurring revenue

Most Recent Acquisitions

HILLENBRAND

	ABEL – 10/2/15	Red Valve – 2/1/16
Financials	▪ Purchase price: €95 million ▪ Revenue: €32 million[1] ▪ EBITDA: €8 million[1]	▪ Purchase price: $132 million ▪ Revenue: $39 million[2] ▪ EBITDA: $12 million[2]
Funding Strategy	▪ All-cash transactions funded under Hillenbrand's $700 million credit revolver	
Strategic Fit	▪ ABEL and Red Valve are part of the Process Equipment Group ▪ Provide highly engineered equipment for niche markets ▪ Robust parts & service and aftermarket recurring revenue ▪ Provide entry into the flow control space	
Financial Impact	▪ Highly profitable businesses with a low asset base that generate significant cash ▪ Both are expected to be accretive to earnings in 2016, net of transition costs	

1. TTM ended 9/30/15
2. TTM ended 11/30/15; EBITDA adjusted to exclude $1.9m of non-recurring expense

Expected To Be Accretive in 2016

Expansion In Flow Control Advances Our Transformation

HILLENBRAND

- Sizable market with a long-term growth rate greater than global GDP and our other current markets
- Fragmented niche spaces with opportunity to achieve EBITDA margins greater than 20%
- Highly engineered/differentiated products that serve critical applications such as viscous, abrasive and corrosive fluids in the Water & Wastewater, Energy, Chemical, and General Industrial markets
- Opportunity to build on strong product, end market and geographic core
- Installed base that supports a strong aftermarket program

Flow control is a sizable market with attractive long-term growth potential and high profit margins

Batesville

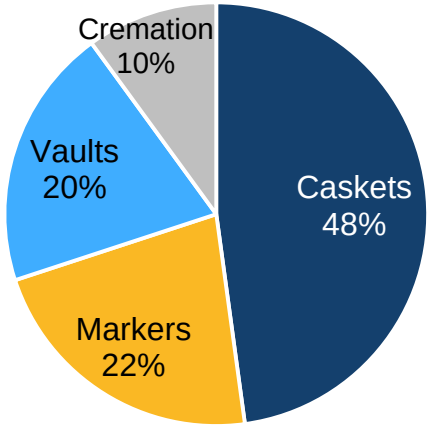
HILLENBRAND

Batesville Is The Market Leader Of The North American Burial Casket Market

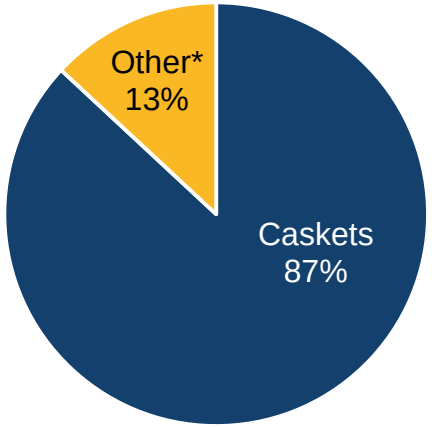
HILLENBRAND

- Iconic brand with 100+ years of history
- Superior mix of products
- Industry leader in volume, revenue and profitability[1]
- FY 2015 Revenue: $604M

$2.6 Billion North American Death Care Industry[1]



Batesville Revenue Mix by Product



1. Source: Internal estimates, industry reports and public filings for FY 2015

* Cremation Options®, Technology Solutions and Northstar

Batesville Strategy

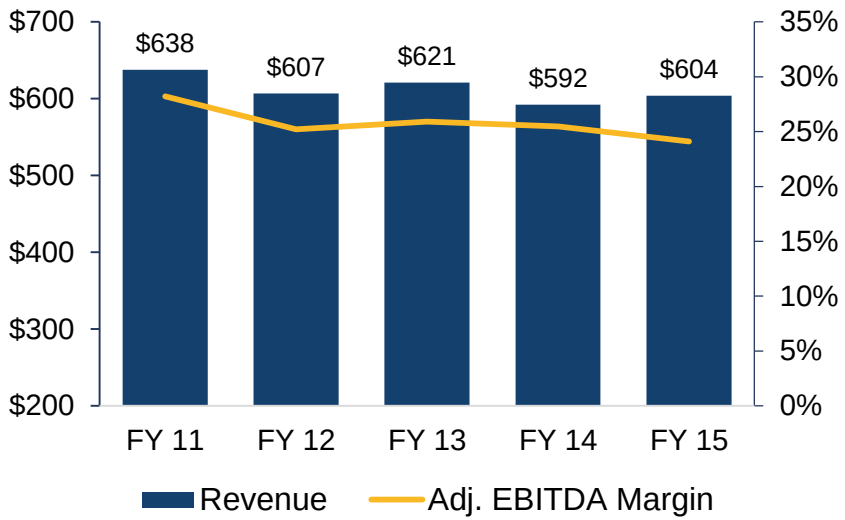
HILLENBRAND

Optimize the profitable casket business	▪ Build and deliver value propositions aligned to customer needs ▪ Provide merchandising and consultative selling ▪ Develop new products
Capitalize on growth opportunities	▪ Cremation Options® products: caskets, containers and urns ▪ Technology solutions: websites and business management software
Maintain attractive margins	▪ Operational excellence through Hillenbrand Operating Model ▪ Lean manufacturing and distribution ▪ Continuous improvement in all business processes

Attractive Financial Fundamentals Expected To Continue

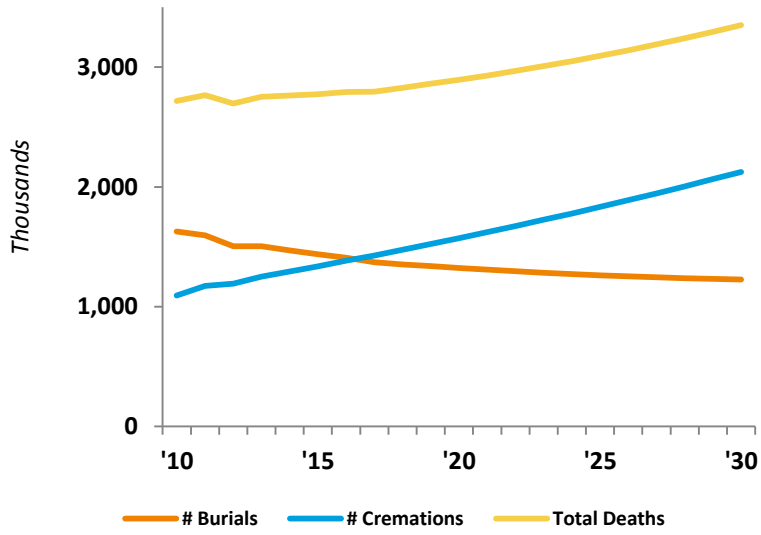
HILLENBRAND

Revenue & Adj EBITDA[1] Margin
(Millions)



- Historically high Return On Invested Capital (ROIC)
- Historically strong Adj. EBITDA margins
- Relentless focus on Lean to maintain attractive margins

Death Trends[3]



- North American cremation rate is estimated at ~49% and increasing ~120-140 bps per year[2]
- Increase in future deaths driven by aging baby boomers expected to be offset by cremation, resulting in flat to slightly declining burial market

1. See Appendix for reconciliation
2. Source: CDC, Cremation Assn. North America, Company estimates
3. Cremation Association of North America data

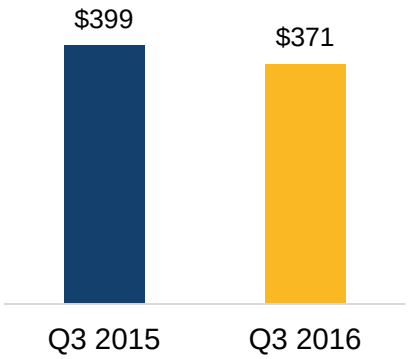
Financial Results

HILLENBRAND

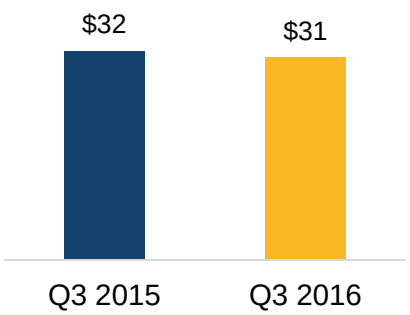
Consolidated Financial Performance
Q3 2016

HILLENBRAND

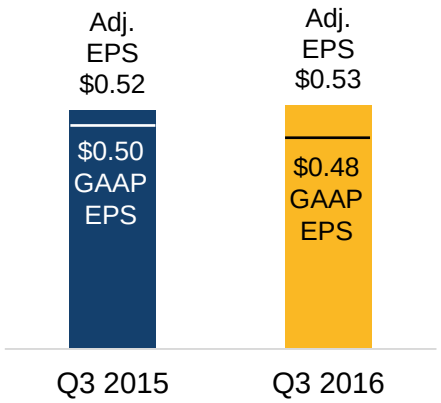
Revenue
(Millions)



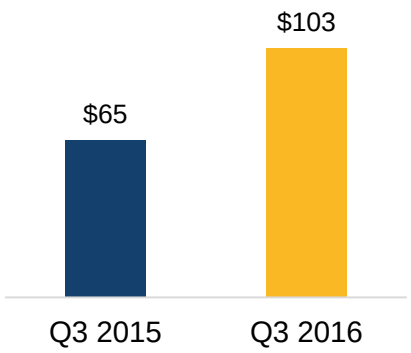
Net Income[1]
(Millions)



GAAP & Adj. EPS[2]



Operating Cash Flow
(Millions)



	Revenue	Adj. EBITDA[2]
PEG	62%	55%
Batesville	38%	45%

Key Points

- Revenue declined 7% to $371 million driven primarily by lower volume in the Process Equipment Group
- GAAP net income was relatively flat, adjusted EBITDA of $67 million increased 1% or 150 basis points on the strength of gross profit
- The balance sheet remains healthy, and we delivered another strong cash flow performance in the third quarter

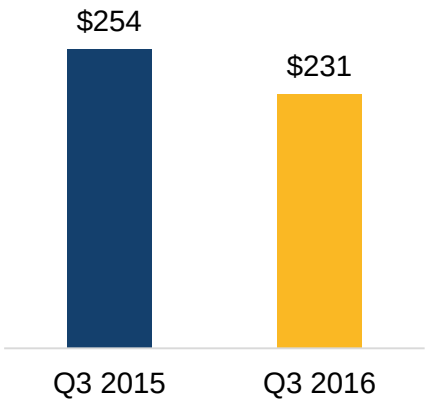
1. Net income attributable to Hillenbrand
2. See appendix for reconciliation

Segment Performance – Q3 2016

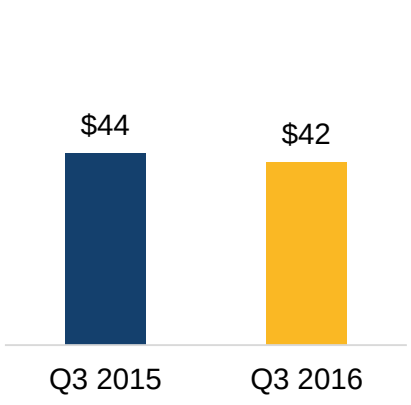
HILLENBRAND

Process Equipment Group

Revenue
(Millions)



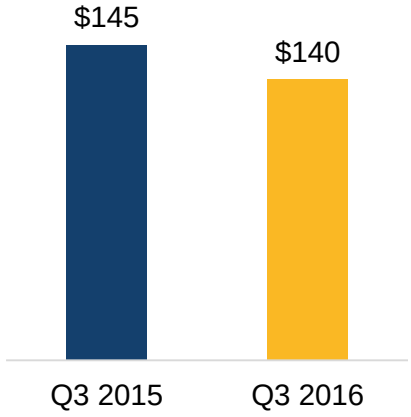
Adj. EBITDA[1]
(Millions)



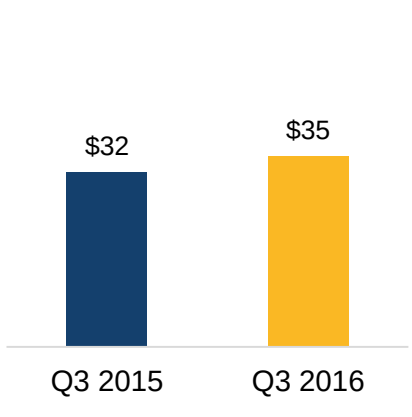
- Revenue down 9% compared to prior year, primarily due to decreased demand for capital equipment, partially offset by revenue from the acquisitions of ABEL and Red Valve
- Adjusted EBITDA margin[1] improved 90 bps driven by pricing, productivity improvements, product and business mix, and impact of acquisitions

Batesville

Revenue
(Millions)



Adj. EBITDA[1]
(Millions)

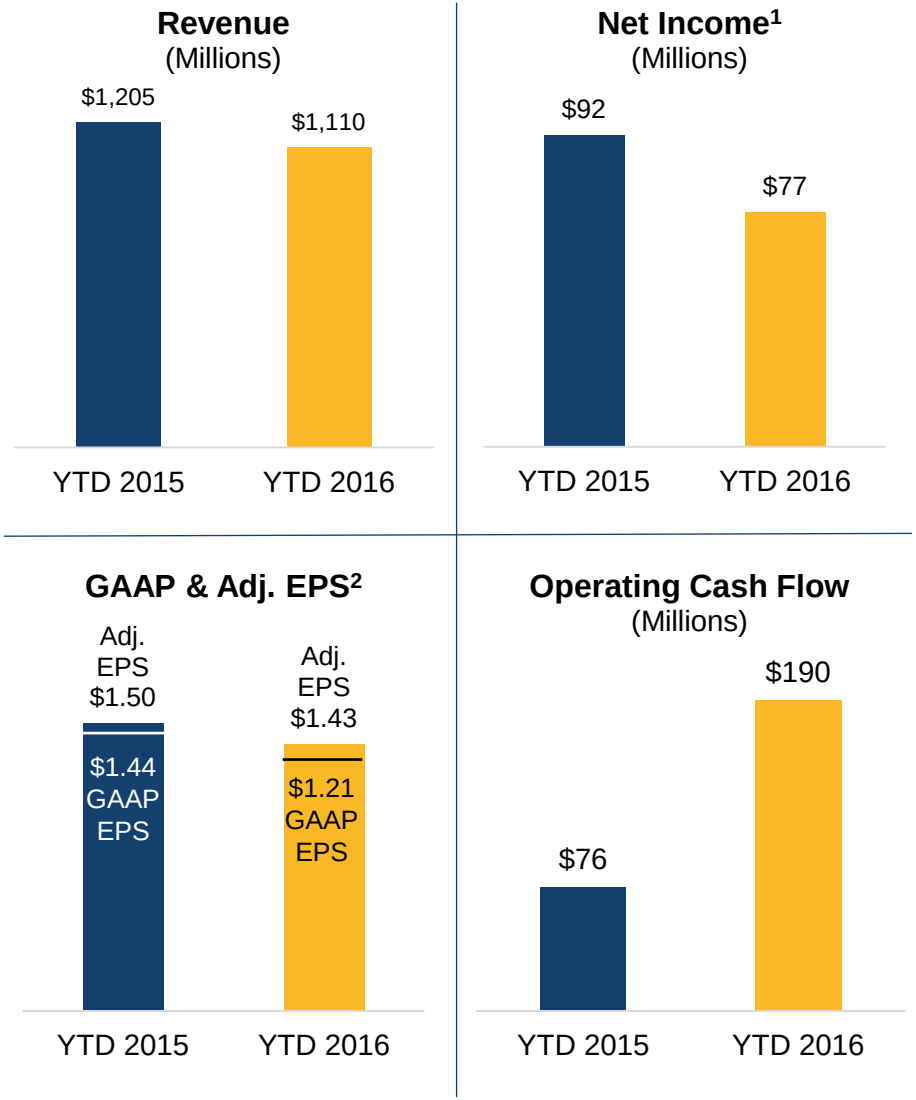


- Revenue of $140 million was down 3% due to a decrease in burial unit volume associated with an estimated increase in the cremation rate
- Adjusted EBITDA margin[1] improved 250 bps due to supply chain productivity improvements, lower commodities prices, and restructuring initiatives

1. See appendix for reconciliation

Consolidated Financial Performance
Q3 YTD 2016 – Nine Months Ended 6/30/16

HILLENBRAND



FY 2016	Revenue	Adj. EBITDA[2]
PEG	61%	50%
Batesville	39%	50%

Key Points

- Revenue of $1,110 million decreased 8%
- GAAP Net Income[1] of $77 million decreased 17% compared to prior year
- Adjusted EPS[2] of $1.43 per diluted share was down 5% compared to prior year
- Operating cash flow increased $114 million compared to prior year

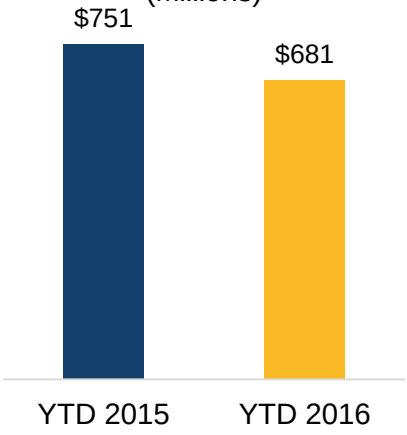
1. Net income attributable to Hillenbrand
2. See appendix for reconciliation

Segment Performance
Q3 YTD 2016 – Nine Months Ended 6/30/16

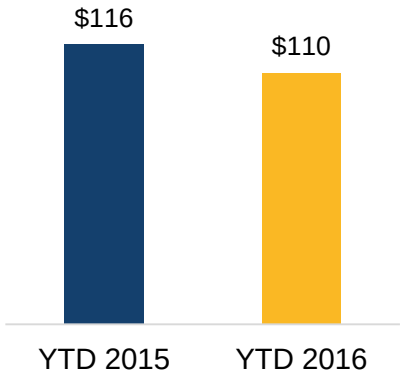
HILLENBRAND

Process Equipment Group

Revenue
(Millions)



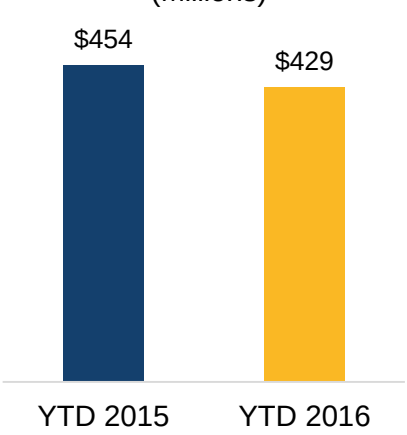
Adj. EBITDA[1]
(Millions)



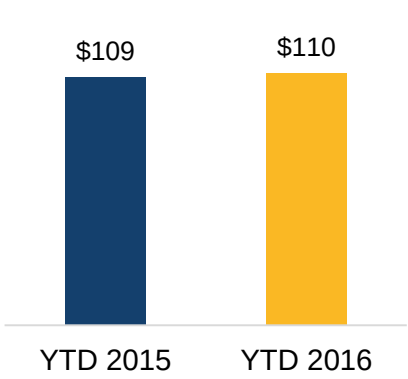
- Revenue was down 9% due to lower volume of large systems for the plastics industry and ongoing weakness in demand for proppants processing and power & mining; currency headwinds accounted for 2% of the decrease. Inorganic growth partially offset the decline.
- Adjusted EBITDA margin[1] improved 60 bps driven by pricing, productivity improvements, improved product and business mix, and the acquisition of ABEL and Red Valve

Batesville

Revenue
(Millions)



Adj. EBITDA[1]
(Millions)

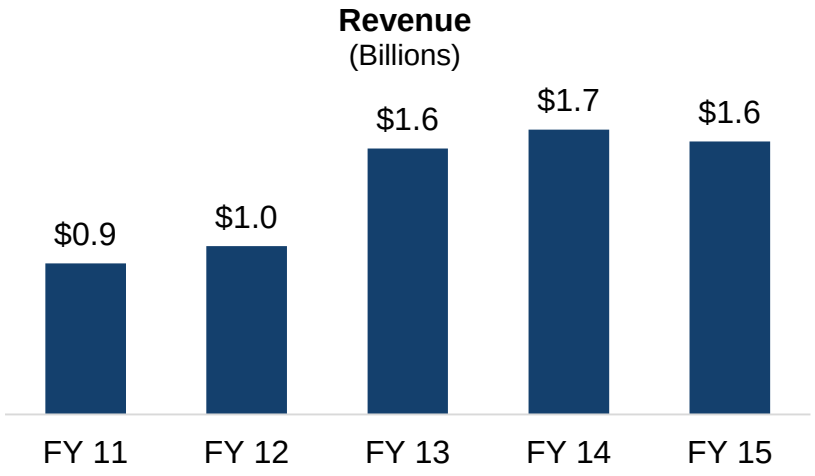


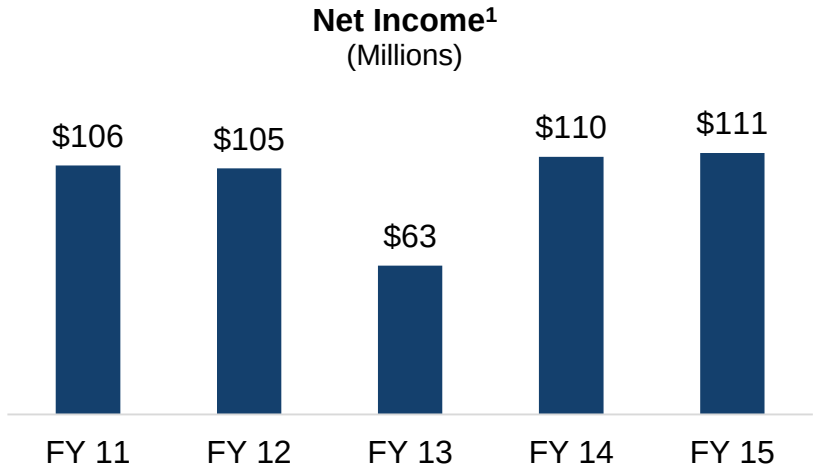
- Revenue of $429 million declined 5% compared to prior year due to lower volume associated with fewer deaths and an increase in the rate at which families chose cremation
- Adjusted EBITDA margin[1] increased 150 bps compared to prior year due to improved efficiencies across the supply chain, and lower commodities and fuel costs

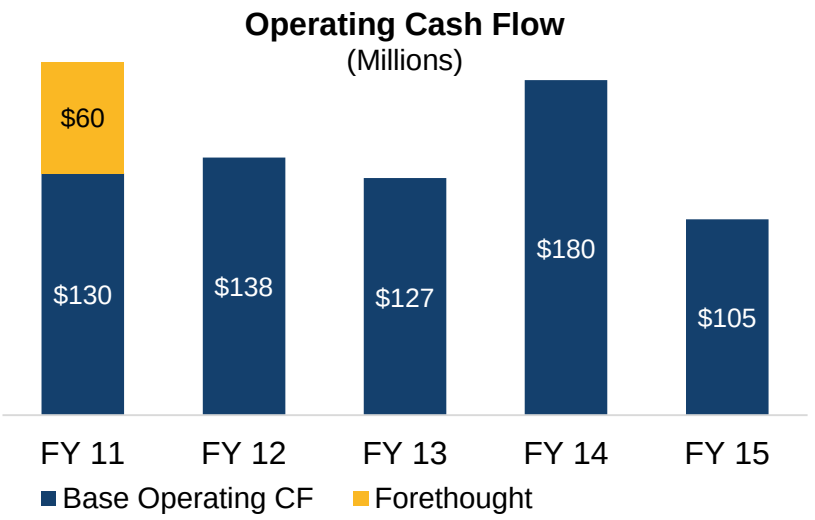
1. See appendix for reconciliation

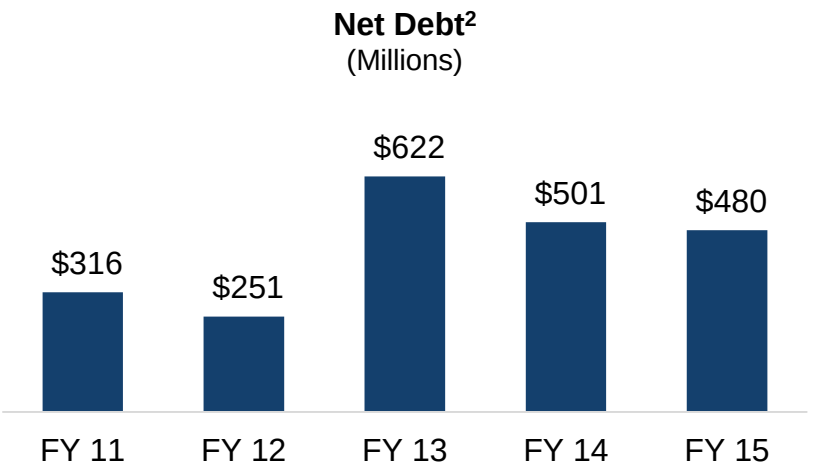
History of Strong Financial Performance

HILLENBRAND









1. Net income attributable to Hillenbrand
2. Net Debt is Total Debt less Cash

Capital Allocation Strategy

HILLENBRAND

Hillenbrand's Capital Allocation Strategy Focuses On Creating Shareholder Value…

Drive Long-Term Growth	▪ Reinvestment in our organic businesses – CAPEX <2% of revenue ▪ Return cash to shareholders – Share repurchases and dividends - ~50% of FCF ▪ Remaining ~50% to be deployed towards acquisitions and maintaining leverage targets
Pay A Meaningful Dividend	▪ Annual $0.01 increase per share per year (7 consecutive years) ▪ $0.80 per share in 2015 (39% payout ratio) ▪ Attractive dividend yield: 2.5% (8/31/16)

…Through Growth And Returning Cash To Shareholders

Acquisition Focus

HILLENBRAND

	Product, Technologies, End Markets	Size of Opportunities[1]	Magnitude of Synergies	Likely Deal Source
Add-on	Same	Small (<$75M)	High	Internal
Adjacency	Similar	Medium ($50-200M)	Medium	Internal/External
New Platform	Different	Large (>$200M)	Minimal	External

1. Size indications are general estimates only and actual deal size in any category could differ based on circumstances

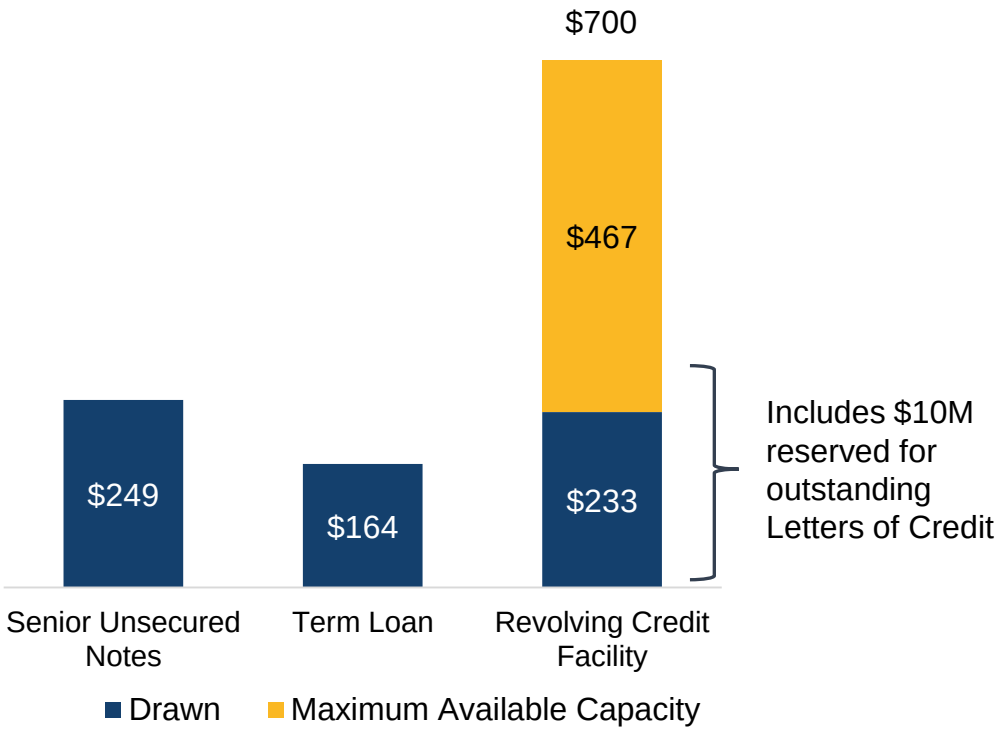
Cash Generation Strengthens Financial Flexibility

HILLENBRAND

- Strong cash generation allows Hillenbrand to continue our acquisition strategy while paying down debt

As of 6/30/16	
Total Debt	$637M
Net Debt[1]	$589M
Net Debt/TTM Adj EBITDA[2]	2.2x

Financing Agreements[3]
(Millions)



1. Net Debt is Total Debt less Cash
2. See Appendix for reconciliation
3. As of 6/30/16

Attractive Investment Opportunity

HILLENBRAND

Growth Opportunity	• We expect Process Equipment Group to represent more than 2/3 of Hillenbrand revenue with organic mid-single-digit growth • Bottom-line growth enhanced by leveraging core competencies
Strong Financial Profile	• Market leading platforms with robust cash generation • Strong balance sheet and cash flow
Proven Track Record	• Demonstrated acquisition success • Proven, results-oriented management teams • Hillenbrand Operating Model drives sustainable and predictable results
Compelling Dividend	• Meaningful return of cash to shareholders, including an attractive dividend yield • Annual dividend increases since HI inception (2008)

Appendix

HILLENBRAND

Disclosure Regarding non-GAAP Measures

HILLENBRAND

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

One important non-GAAP measure that we use is Adjusted Earnings Before Interest, Income Tax, Depreciation, and Amortization (“Adjusted EBITDA”). As previously discussed, a part of our strategy is to selectively acquire companies that we believe can benefit from our core competencies to spur faster and more profitable growth. Given that strategy, it is a natural consequence to incur related expenses, such as amortization from acquired intangible assets and additional interest expense from debt-funded acquisitions. Accordingly, we use Adjusted EBITDA, among other measures, to monitor our business performance.

Another important non-GAAP measure that we use is backlog. Backlog is not a term recognized under GAAP; however, it is a common measurement used in the Process Equipment Group industry. Our backlog represents the amount of consolidated revenue that we expect to realize on contracts awarded related to the Process Equipment Group. Backlog includes expected revenue from large systems, equipment, and to a lesser extent, replacement parts, components, and service.

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

Adj. EBITDA to Consolidated Net Income Reconciliation

HILLENBRAND

($ in millions)

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2016	2015	2016	2015
EBITDA - adjusted				
Process Equipment Group	$ 41.8	$ 43.7	$ 109.8	$ 116.3
Batesville	34.6	32.2	109.5	108.9
Corporate	(9.3)	(9.7)	(26.6)	(30.1)
Less:				
Interest income	(0.3)	-	(0.8)	(0.7)
Interest expense	6.6	5.7	18.9	17.8
Income tax expense	10.9	13.8	31.9	39.9
Depreciation and amortization	14.3	12.7	46.2	41.1
Litigation	-	-	-	0.5
Restructuring and restructuring related	1.5	1.0	8.9	2.4
Inventory step-up	(0.1)	-	2.4	-
Trade name impairment	2.2	-	2.2	-
Business acquisition and intergration	0.7	0.5	3.5	0.7
Consolidated Net Income	$ 31.3	$ 32.5	$ 79.5	$ 93.4

Adj. EBITDA to Consolidated Net Income Reconciliation

HILLENBRAND

($ in millions)

	Years Ended September 30				
	2015	2014	2013	2012	2011
Adjusted EBITDA:					
Process Equipment Group	$ 160.5	$ 150.4	$ 116.4	$ 79.7	$ 53.3
Batesville	145.5	150.8	161.0	152.8	179.9
Corporate	(37.3)	(25.7)	(29.9)	(25.1)	(24.8)
Less:					
Interest Income	(1.0)	(0.8)	(0.6)	(0.5)	(7.4)
Interest Expense	23.8	23.3	24.0	12.4	11.0
Income Tax Expense	49.1	48.7	28.3	30.1	51.7
Depreciation and Amortization	54.3	58.4	89.4	40.4	36.1
Business Acquisition and Integration	3.6	8.4	16.0	4.2	6.3
Inventory Step-Up	-	-	21.8	-	2.8
Restructuring	7.5	5.5	2.8	8.3	1.3
Litigation	0.5	20.8	0.2	5.5	1.3
Pension Settlement	17.7	-	-	-	-
Other	-	-	0.2	-	(0.8)
Long-Term Incentive Compensation Related to the International Integration	-	-	-	2.2	-
Consolidated Net Income	$ 113.2	$ 111.2	$ 65.4	$ 104.8	$ 106.1

Q3 FY16, Q3 FY15 & YTD FY16, YTD FY 15 Reconciliation of Non-GAAP Measures

HILLENBRAND

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2016	2015	2016	2015
Net Income (1)	$ 30.7	$ 32.1	$ 76.8	$ 92.3
Restructuring and restructuring related	1.7	1.2	9.1	3.8
Business acquisition and integration	0.7	0.5	3.5	0.7
Litigation	-	-	-	0.5
Inventory step-up	(0.1)	-	2.4	-
Backlog amortization	(0.1)	-	4.5	-
Trade name impairment	2.2	-	2.2	-
Tax effect of adjustments	(1.5)	(0.8)	(7.5)	(1.8)
Adjusted Net Income (1)	$ 33.6	$ 33.0	$ 91.0	$ 95.5

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2016	2015	2016	2015
Diluted EPS	$ 0.48	$ 0.50	$ 1.21	$ 1.44
Restructuring and restructuring related	0.03	0.02	0.14	0.06
Business acquisition and integration	0.01	0.01	0.06	0.01
Litigation	-	-	-	0.01
Inventory step-up	-	-	0.04	-
Backlog amortization	-	-	0.07	-
Trade name impairment	0.03	-	0.03	-
Tax effect of adjustments	(0.02)	(0.01)	(0.12)	(0.02)
Adjusted Diluted EPS	$ 0.53	$ 0.52	$ 1.43	$ 1.50

[1] Net income attributable to Hillenbrand

Cash Flow Information

HILLENBRAND

($ in millions)

	Twelve Months Ended September 30				
Operating Activities	**2015**	**2014**	**2013**	**2012**	**2011**
Consolidated Net Income	$ 113.2	$ 111.2	$ 65.4	$ 104.8	$ 106.1
Depreciation and Amortization	54.3	58.4	89.4	40.4	36.1
Interest Income on Forethought Note	-	-	-	-	(6.4)
Forethought Note Interest Payment	-	-	-	-	59.7
Change in Working Capital	(86.8)	22.6	(12.3)	(19.8)	(16.4)
Pension Settlement Charge	17.7	-	-	-	-
Other, Net	6.6	(12.6)	(15.3)	12.8	10.4
Net Cash Provided by Operating Activities (A)	$ 105.0	$ 179.6	$ 127.2	$ 138.2	$ 189.5
Capital Expenditures (B)	(31.0)	(23.6)	(29.9)	(20.9)	(21.9)
Forethought Note Principal Repayment	-	-	-	-	91.5
Acquisition of Business, Net of Cash Acquired	-	-	(415.7)	(4.4)	(240.9)
Debt Activity	(26.2)	(104.1)	385.6	(162.3)	28.1
Dividends	(50.4)	(49.7)	(48.7)	(47.6)	(46.9)
Other	(7.1)	13.1	4.0	1.7	17.7
Net Change in Cash	$ (9.7)	$ 15.3	$ 22.5	$ (95.3)	$ 17.1
Free Cash Flow (A-B)	$ 74.0	$ 156.0	$ 97.3	$ 117.3	$ 167.6