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 our Form 10-K for the period ended September 30, 2013, located on our website and filed with the SEC. We assume no obligation to update or revise any forward-looking statements.
Agenda

**Hillenbrand**
a global diversified industrial company

**Process Equipment Group (PEG)**
our high-growth business platform

**Batesville**
our time-tested and highly profitable market leader

**Select Financial Results**
## Hillenbrand is an attractive investment opportunity

<table>
<thead>
<tr>
<th>Growth Opportunity</th>
</tr>
</thead>
<tbody>
<tr>
<td>● Process Equipment Group represents ~2/3 of Hillenbrand revenue with attractive organic mid single-digit growth expected</td>
</tr>
<tr>
<td>● Bottom-line growth enhanced by leveraging core competencies</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Strong Financial Profile</th>
</tr>
</thead>
<tbody>
<tr>
<td>● Market leading platforms with robust cash generation</td>
</tr>
<tr>
<td>● Strong balance sheet and cash flow</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Proven Track Record</th>
</tr>
</thead>
<tbody>
<tr>
<td>● Demonstrated acquisition success</td>
</tr>
<tr>
<td>● Proven, results-oriented management teams</td>
</tr>
<tr>
<td>● Strong core competencies in lean business, strategy management and talent development</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Compelling Dividend</th>
</tr>
</thead>
<tbody>
<tr>
<td>● Meaningful return of cash to shareholders, including an attractive dividend yield</td>
</tr>
<tr>
<td>● Annual dividend increases since HI inception (2008)</td>
</tr>
</tbody>
</table>
Hillenbrand began as a death care company and has diversified through acquisitions

**Hillenbrand, Inc.**

**2007**
Hillenbrand Industries approves the separation of Hill-Rom and Batesville Casket into two independent publicly traded companies

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

**2009**
K-Tron Acquisition (includes TerraSource) April 1, 2010

**2010**
Rotex acquisition September 1, 2011

**2011**
Coperion acquisition December 1, 2012

**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**
- Leading global providers of compounding and extrusion equipment, bulk solids material handling equipment and systems for a wide variety of manufacturing and other industrial processes
- Serves customers through its operating companies:
  - Coperion – Compounders and extruders, materials handling equipment, feeders and pneumatic conveying equipment, system solutions, parts and services (K-Tron merged with Coperion effective 10/1/2013)
  - Rotex – Dry material separation machines and replacement parts and accessories
  - TerraSource Global – Size reduction equipment, conveying systems and screening equipment, parts and services
Our growth strategy focuses on creating shareholder value

Strategy
Leverage our strong financial foundation and core competencies to deliver sustainable growth and long-term value.

Goals for Creating Shareholder Value
- Grow organically and through acquisitions
- Maintain strong balance sheet and superior cash generation

Foundational Strengths
Stable Cash Flow and Earnings • Culture of Execution • Experienced Management Team

Criteria for future acquisition candidates include:
- Attractive margins, strong cash generation and multiple pathways for growth
- Good market positions, strong brand and good growth prospects in its defined space
- Strong strategic fit with Hillenbrand
  - Tuck-in
  - Adjacent
  - Other industrial company
- Ability to benefit from our core competencies and share its own competitive strengths
Two attractive platforms provide robust revenue growth

- Multiple pathways/end markets for growth
- Diversified revenue sources
- Parts and service revenue ~ 1/3 of total

**Process Equipment Group**

**Batesville**

- Historical Adj EBITDA* margin > 25%
- Strong, predictable cash flow

*See Appendix for reconciliation
We have increased our revenue diversification…

**Geography**

- FY09
- FY14 Estimate

**End Market**

- FY09
- FY14 Estimate

**Platform**

- FY09
- FY14 Estimate

- Food, Chemicals, Potash, Coal, Minerals and Mining, Frac Sand, Pulp/Biomass and Pharma
- Domestic
- Death Care
- Plastics
- Other

- Death Care
- Process Equipment
…and expect continued attractive growth

2009
- $0.6 Billion
- 100% Death Care
- 24% CAGR

2013
- $1.6 Billion
- 60% Process Equipment
- 40% Death Care
- Double digit growth targets

2017 Vision
- Organic Revenue
- Additional growth from acquisitions
- PEG will continue to become a larger portion of our portfolio due to higher growth than Batesville
Our Process Equipment Group companies manufacture mission critical world-class industrial equipment...

- **Coperion**
  - Compounders and extruders
  - Materials handling equipment
  - Feeders and pneumatic conveying equipment
  - System solutions

- **Rotex**
  - Screening equipment
  - Separating equipment

- **TerraSource Global**
  - Crushers
  - Biomass handling equipment
... and have attractive fundamentals

- Balanced geographic diversification
- Stable revenue and attractive margins from parts and service business
- Highly diversified customer base with a strong history of long-term relationships with blue-chip customers
- Proven products with substantial brand value and recognition, combined with industry-leading applications and engineering expertise
Process Equipment Group is diversified across a broad range of attractive end markets that benefit from mega trends…

**Mega trends driving growth**
- Growing global population
- Rapidly expanding middle class
- Rising demand for food and energy

**Attractive end markets growing at GDP+**
- Plastics
- Food
- Chemicals
- Potash, Minerals and Mining – incl. Frac sand
- Coal
- Other - Pulp, Paper, Biomass, Oil Seed, Grains, Pharma

* FY 2014 Company Estimate
... and the strategy focuses on capitalizing on these mega trends to drive growth

**Develop new products, applications expertise and systems to penetrate growing markets**
- Processed Food
- Engineered Plastics
- Fertilizer
- Energy
- Minerals
- Alumina
- Forest Products

**Establish scope and scale to accelerate global growth**
- Improve access to underpenetrated geographies
  - Russia
  - China
  - India
  - Brazil
- Leverage Coperion’s 29 global locations

**Leverage Coperion acquisition to accelerate revenue growth**
- K-Tron and Rotex equipment in Coperion Systems
- Leverage end market expertise to access new customers and markets
- Coperion expansion in attractive US market through K-Tron rep. network
- Enhanced system capabilities

**Margin expansion through Lean**
Process Equipment Group has a strong, sustainable financial track record that is expected to continue.

Coperion adjusted EBITDA* margins ~9%

- Attractive adjusted gross margins* of 35+% on proprietary equipment and parts and service (~2/3 of revenue)
- ~1/3 of revenue includes 3rd party-sourced products that carry only a small up-charge

Expect mid-high single digit organic revenue growth

Adjusted EBITDA* expected to grow at a faster rate (low to mid teens)

* See Appendix for reconciliation
Batesville is the industry leader in the largest and most profitable segment of the North American death care industry.

- **North American Death Care** ($2.6 Billion Industry)
  - Cremation: Market Leader
  - Vaults
  - Grave Markers

- **North American Caskets** (Total Revenue $1.3 Billion)
  - Caskets: Market Leader
  - Importers
  - Aurora
  - Matthews
  - Other (100+)

- **Batesville** (Total 2013 Revenue: $621 Million)
  - Other, including Cremation Options®, Technology Solutions and Northstar

- **Iconic brand with 100+ years of history**
- **Superior mix of products**
- **Industry leader in volume, revenue and margin share**

Source: Company estimates, industry reports and public filings for FY 2013
Batesville’s strategy is to optimize the casket business, capitalize on growth opportunities and sustain margins.

**Optimize the Profitable Casket Business**
- New product development
- Merchandising and consultative selling

**Capitalize on Growth Opportunities**
- Cremation Options® products – caskets, containers and urns
- Technology Solutions – websites & business management software

**Maintain Attractive Margins**
- Operational excellence
- Lean manufacturing and distribution
- Continuous improvement in all business processes
Batesville has predictable strong cash flow and attractive margins

**Attractive Financials**

- Historically high return on invested capital (in excess of 60%)
- Adjusted EBITDA margins* improved in FY13
- Relentless focus on lean to maintain attractive margins

---

**Industry Dynamics**

- Deaths expected to increase in the future as baby boomers age
- North American cremation rate is currently ~ 45% and increasing approximately 120-140 basis points per year
- Increase in future deaths expected to be offset by cremation, resulting in relatively flat burial market

---

* See Appendix for reconciliation
Financial Results
First quarter consolidated revenue grew 26% due to the Coperion acquisition, adjusted EBITDA* grew 4%

- Coperion acquisition drove 58% Process Equipment Group revenue growth
  - Backlog increased 1% sequentially to $611 million
  - Non-Coperion PEG revenue declined 9% due to lower demand for small systems and equipment used in certain end markets, principally chemicals and engineered plastics.

- Batesville revenue decreased 6% due to volume. The decrease in volume was driven by a decrease in North American burials and an increase in the year-over-year impact of customers buying ahead of price increases.

- Adjusted EBITDA* grew 4% as increased Process Equipment Group results were offset by lower volume at Batesville.

### Hillenbrand Q1 2014 Results

<table>
<thead>
<tr>
<th></th>
<th>Q1 FY14</th>
<th>Q1 FY13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Revenue</td>
<td>$384.9</td>
<td>$305.2</td>
</tr>
<tr>
<td>% Year-Over-Year Growth</td>
<td>26.1%</td>
<td>31.8%</td>
</tr>
<tr>
<td>EBITDA (Adjusted)*</td>
<td>$53.2</td>
<td>$51.4</td>
</tr>
<tr>
<td>% of Revenue</td>
<td>13.8%</td>
<td>16.8%</td>
</tr>
<tr>
<td>EPS (Adjusted)*</td>
<td>$0.34</td>
<td>$0.41</td>
</tr>
<tr>
<td>Free Cash Flow*</td>
<td>$40</td>
<td>$14</td>
</tr>
</tbody>
</table>

* See Appendix for reconciliation
Our FY 2013 results reflect a strong contribution from the Coperion acquisition, with 58% increase in net revenue

- Coperion acquisition drove 148% Process Equipment Group revenue growth
  - Backlog increased 6% sequentially to $604 million
  - Non-Coperion PEG declined 9% due to the expected sharp reduction in demand for equipment that processes proppants.
- Batesville revenue grew 2% driven by an increase in the average selling price and volume.
- Adjusted EBITDA* margin percentage change due to impact of Coperion’s business model
  - ~1/3 revenue from 3rd party –sourced products (small up-charge)
  - ~2/3 revenue from proprietary equipment and parts & service has attractive adjusted gross margin* percentage (35+%) 
- Free cash flow* variance driven by:
  - Investment in Coperion working capital
  - $18 million in business acquisition costs
  - $17 million pension funding

### Hillenbrand FY 2013 Results

<table>
<thead>
<tr>
<th></th>
<th>FY 2013</th>
<th>FY 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Revenue</td>
<td>$1,553</td>
<td>$983</td>
</tr>
<tr>
<td>% Year-Over-Year Growth</td>
<td>58.0%</td>
<td>11.3%</td>
</tr>
<tr>
<td>EBITDA (Adjusted)*</td>
<td>$248</td>
<td>$207</td>
</tr>
<tr>
<td>% of Revenue</td>
<td>15.9%</td>
<td>21.1%</td>
</tr>
<tr>
<td>EPS (Adjusted)*</td>
<td>$1.88</td>
<td>$1.76</td>
</tr>
<tr>
<td>Free Cash Flow*</td>
<td>$97</td>
<td>$117</td>
</tr>
<tr>
<td>Net Debt**</td>
<td>$622</td>
<td>$251</td>
</tr>
</tbody>
</table>

* See Appendix for reconciliation
** Net Debt is Total Debt less Cash
Hillenbrand has a history of strong financial performance…

**Free cash flow is defined as operating cash flow less capital expenditures**

*See Appendix for reconciliation

*** Net Debt is Total Debt less Cash
…which fuels a capital deployment strategy that focuses on creating shareholder value

Reinvestment for long-term growth
- Organic growth investments
- Acquisitions

Meaningful dividend
- $0.78 per share in 2013 (41% payout ratio)
- Annual $0.01 increase per share per year (6 consecutive years)
- Attractive dividend yield: 2.8% (2/5/14)
… and we expect attractive revenue and earnings growth in 2014

<table>
<thead>
<tr>
<th>2014 Guidance Summary</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue (millions)</td>
<td>$1,553</td>
<td>$1,700</td>
</tr>
<tr>
<td>Adjusted EPS*</td>
<td>$1.88</td>
<td>$2.00 - $2.10</td>
</tr>
</tbody>
</table>

* See Appendix for reconciliation
Hillenbrand is an attractive investment opportunity

| Growth Opportunity | • Process Equipment Group represents ~2/3 of Hillenbrand revenue with attractive organic mid to high single-digit growth expected  
|• 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  
|• Strong core competencies in lean business, strategy management and talent development |
| Compelling Dividend | • Meaningful return of cash to shareholders, including an attractive dividend yield  
|• Annual dividend increases since HI inception (2008) |
Appendix
Disclosure regarding non-GAAP measures

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 acquisitions, restructuring, and antitrust litigation. The measures also exclude the tax benefit of the international integration in fiscal year 2012 and expenses associated with long-term incentive compensation related to the international integration. 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.

A non-GAAP measure that we use is Adjusted Earnings Before Interest, Income Tax, Depreciation, and Amortization (“Adjusted EBITDA”). As previously discussed, our strategy is to selectively acquire companies which 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.

We use this information internally to make operating decisions and believe it is helpful to investors because it allows more meaningful period-to-period comparisons of our ongoing operating results. The information can also be used to perform trend analysis and to better identify operating trends that may otherwise be masked or distorted by these types of items. Finally, the Company believes such information provides a higher degree of transparency for certain items.
## Q1 FY14 & Q1 FY13 - Adjusted EBITDA to consolidated net income reconciliation

($ in millions)

<table>
<thead>
<tr>
<th></th>
<th>Quarter Ended December 31,</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2013</td>
</tr>
<tr>
<td>Adjusted EBITDA:</td>
<td></td>
</tr>
<tr>
<td>Process Equipment Group</td>
<td>$26.7</td>
</tr>
<tr>
<td>Batesville</td>
<td>34.5</td>
</tr>
<tr>
<td>Corporate</td>
<td>(8.0)</td>
</tr>
<tr>
<td>Less:</td>
<td></td>
</tr>
<tr>
<td>Interest income</td>
<td>(0.2)</td>
</tr>
<tr>
<td>Interest expense</td>
<td>6.3</td>
</tr>
<tr>
<td>Income tax expense</td>
<td>9.0</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>14.3</td>
</tr>
<tr>
<td>Business acquisition and integration</td>
<td>1.9</td>
</tr>
<tr>
<td>Inventory step-up</td>
<td>-</td>
</tr>
<tr>
<td>Restructuring</td>
<td>0.3</td>
</tr>
<tr>
<td>Antitrust litigation</td>
<td>-</td>
</tr>
<tr>
<td>Consolidated net income</td>
<td>$21.6</td>
</tr>
</tbody>
</table>

2013 Hillenbrand
### Adjusted EBITDA to consolidated net income reconciliation

($ in millions)

<table>
<thead>
<tr>
<th>Years Ended September 30,</th>
<th>2013</th>
<th>2012</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjusted EBITDA:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Process Equipment Group</td>
<td>$116.4</td>
<td>$79.7</td>
<td>$53.3</td>
<td>$23.6</td>
</tr>
<tr>
<td>Batesville</td>
<td>161.0</td>
<td>152.8</td>
<td>179.9</td>
<td>195.0</td>
</tr>
<tr>
<td>Corporate</td>
<td>(29.9)</td>
<td>(25.1)</td>
<td>(24.8)</td>
<td>(27.4)</td>
</tr>
<tr>
<td>Less:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest income</td>
<td>(0.6)</td>
<td>$ (0.5)</td>
<td>$ (7.4)</td>
<td>$ (13.0)</td>
</tr>
<tr>
<td>Interest expense</td>
<td>24.0</td>
<td>12.4</td>
<td>11.0</td>
<td>4.2</td>
</tr>
<tr>
<td>Income tax expense</td>
<td>28.3</td>
<td>30.1</td>
<td>51.7</td>
<td>54.1</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>89.4</td>
<td>40.4</td>
<td>36.1</td>
<td>28.2</td>
</tr>
<tr>
<td>Business acquisition and integration</td>
<td>16.0</td>
<td>4.2</td>
<td>6.3</td>
<td>10.5</td>
</tr>
<tr>
<td>Inventory step-up</td>
<td>21.8</td>
<td>-</td>
<td>2.8</td>
<td>11.6</td>
</tr>
<tr>
<td>Restructuring</td>
<td>2.8</td>
<td>8.3</td>
<td>1.3</td>
<td>3.0</td>
</tr>
<tr>
<td>Antitrust</td>
<td>0.2</td>
<td>5.5</td>
<td>1.3</td>
<td>5.0</td>
</tr>
<tr>
<td>Other</td>
<td>0.2</td>
<td>-</td>
<td>(0.8)</td>
<td>(4.7)</td>
</tr>
<tr>
<td>Long-term incentive compensation related to the international integration</td>
<td>-</td>
<td>2.2</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Consolidated net income</td>
<td>$65.4</td>
<td>$104.8</td>
<td>$106.1</td>
<td>$92.3</td>
</tr>
</tbody>
</table>
## Non-GAAP Operating Performance Measures

($ in millions)

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>GAAP</td>
<td>Adj</td>
</tr>
<tr>
<td>Cost of goods sold</td>
<td>$ 253.9</td>
<td>$(0.1) (a)</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>94.0</td>
<td>(2.1) (b)</td>
</tr>
<tr>
<td>Other income (expense), net</td>
<td>(0.1)</td>
<td>-</td>
</tr>
<tr>
<td>Income tax expense</td>
<td>9.0</td>
<td>0.6 (c)</td>
</tr>
<tr>
<td>Net income&lt;sup&gt;1&lt;/sup&gt;</td>
<td>20.3</td>
<td>1.6</td>
</tr>
<tr>
<td>Diluted EPS</td>
<td>0.32</td>
<td>0.02</td>
</tr>
</tbody>
</table>

<sup>1</sup> Net income attributable to Hillenbrand

P = Process Equipment Group; B = Batesville; C = Corporate

(a) Restructuring ($0.1 B)
(b) Business acquisition and integration costs ($0.7 P, $1.2 C), restructuring ($0.2 P)
(c) Tax effect of adjustments
(d) Inventory step up ($2.6 P), restructuring ($0.1 P, $0.3 B)
(e) Business acquisition costs ($9.0 C), backlog amortization ($4.2 P), restructuring ($0.2 C), antitrust litigation ($0.1 B), other ($0.1 B)
(f) Acquisition-related foreign currency transactions ($0.8 C), other ($0.1 B)
## Non-GAAP Operating Performance Measures

($ in millions)

<table>
<thead>
<tr>
<th></th>
<th>2013 GAAP</th>
<th>Adj (a)</th>
<th>Adjusted</th>
<th>2012 GAAP</th>
<th>Adj (f)</th>
<th>Adjusted</th>
<th>2011 GAAP</th>
<th>Adj (i)</th>
<th>Adjusted</th>
<th>2010 GAAP</th>
<th>Adj (l)</th>
<th>Adjusted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of goods sold</td>
<td>$1,034.7</td>
<td>$25.2</td>
<td>$1,009.5</td>
<td>$594.3</td>
<td>$4.2</td>
<td>$590.1</td>
<td>$513.5</td>
<td>$2.8</td>
<td>$510.7</td>
<td>$435.9</td>
<td>$11.6</td>
<td>$424.3</td>
</tr>
<tr>
<td>Operating expenses</td>
<td>400.6</td>
<td>(52.5)</td>
<td>348.1</td>
<td>240.1</td>
<td>(18.8)</td>
<td>221.3</td>
<td>211.3</td>
<td>(8.9)</td>
<td>202.4</td>
<td>175.4</td>
<td>(15.5)</td>
<td>159.9</td>
</tr>
<tr>
<td>Interest expense</td>
<td>24.0</td>
<td>(1.2)</td>
<td>22.8</td>
<td>12.4</td>
<td>-</td>
<td>12.4</td>
<td>11.0</td>
<td>-</td>
<td>11.0</td>
<td>4.2</td>
<td>-</td>
<td>4.2</td>
</tr>
<tr>
<td>Other income (expense), net</td>
<td>(0.4)</td>
<td>(1.1)</td>
<td>(1.5)</td>
<td>(1.5)</td>
<td>-</td>
<td>(1.5)</td>
<td>10.2</td>
<td>-</td>
<td>10.2</td>
<td>12.7</td>
<td>-</td>
<td>12.7</td>
</tr>
<tr>
<td>Income tax expense</td>
<td>28.3</td>
<td>22.9</td>
<td>51.2</td>
<td>30.1</td>
<td>18.1</td>
<td>48.2</td>
<td>51.7</td>
<td>4.0</td>
<td>55.7</td>
<td>54.1</td>
<td>7.8</td>
<td>61.9</td>
</tr>
<tr>
<td>Net income¹</td>
<td>63.4</td>
<td>54.9</td>
<td>118.3</td>
<td>104.8</td>
<td>4.9</td>
<td>109.7</td>
<td>106.1</td>
<td>7.7</td>
<td>113.8</td>
<td>92.3</td>
<td>19.3</td>
<td>111.6</td>
</tr>
<tr>
<td>Diluted EPS</td>
<td>1.01</td>
<td>0.87</td>
<td>1.88</td>
<td>1.68</td>
<td>0.08</td>
<td>1.76</td>
<td>1.71</td>
<td>0.13</td>
<td>1.84</td>
<td>1.49</td>
<td>0.31</td>
<td>1.80</td>
</tr>
</tbody>
</table>

¹Net income attributable to Hillenbrand

P = Process Equipment Group; B = Batesville; C = Corporate

(a) Inventory step-up ($21.8 P), restructuring ($0.3 P, $2.9 B), business acquisition costs ($0.2 P)

(b) Backlog amortization ($34.5 P), business acquisition costs ($3.1 P, $13.7 C), restructuring ($0.2 P, $0.5 B, $0.2 C), antitrust litigation ($0.2 B), other ($0.1 B)

(c) Business acquisition costs ($1.2 C)

(d) Acquisition related foreign currency transactions ($0.8 C), business acquisition costs ($0.2 C), other ($0.1 B)

(e) Tax effect of adjustments

(f) Restructuring ($0.9 P, $3.3 B)

(g) Antitrust litigation ($5.5 B), restructuring ($2.8 P, $0.6 B, $0.9 C), business acquisition costs ($4.2 C), backlog amortization ($2.5 P), long-term incentive compensation related to the international integration ($0.2 P, $0.8 B, $1.2 C), other ($0.1 B)

(h) Tax benefit of the international integration ($10.4), tax effect of adjustments ($7.7)

(i) Inventory step-up ($2.8 P)

(j) Restructuring ($1.3 B), antitrust litigation ($1.3 B), business acquisition costs ($0.3 P, $6.0 C), backlog amortization ($0.8 P), sales tax recoveries ($0.8 B)

(k) Tax effect of adjustments

(l) Inventory step-up ($11.6 P)

(m) Business acquisition costs ($0.3 P, $10.2 C), antitrust litigation ($5.0 B), restructuring ($3.0 C), Backlog amortization ($1.7 P), LESS sales tax recoveries ($4.7)

(n) Tax effect of adjustments
### Q1 FY14 & Q1 FY13 - Cash Flow Information

*($ in millions)*

<table>
<thead>
<tr>
<th>Operating Activities</th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consolidated net income</td>
<td>$ 21.6</td>
<td>$ 14.6</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>14.3</td>
<td>15.0</td>
</tr>
<tr>
<td>Change in working capital</td>
<td>22.1</td>
<td>12.9</td>
</tr>
<tr>
<td>Other, net</td>
<td>(12.1)</td>
<td>(22.8)</td>
</tr>
<tr>
<td>Net cash provided by operating activities (A)</td>
<td>$ 45.9</td>
<td>$ 19.7</td>
</tr>
</tbody>
</table>

| Capital expenditures (B)                         | (5.6)  | (5.6)  |
| Acquisition of businesses, net of cash acquired  | -      | (415.6)|
| Debt activity                                     | (14.2) | 494.8  |
| Dividends                                         | (12.4) | (12.1) |
| Other                                             | 5.9    | 0.7    |
| Net change in cash                                | $ 19.6 | $ 81.9 |

| Free Cash Flow (A-B)                              | $ 40.3 | $ 14.1 |
# Cash Flow Information

($ in millions)

<table>
<thead>
<tr>
<th>Years Ended September 30,</th>
<th>2013</th>
<th>2012</th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating Activities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Consolidated net income</td>
<td>$ 65.4</td>
<td>$ 104.8</td>
<td>$ 106.1</td>
<td>$ 92.3</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>89.4</td>
<td>40.4</td>
<td>36.1</td>
<td>28.2</td>
</tr>
<tr>
<td>Interest income on Forethought Note</td>
<td>-</td>
<td>-</td>
<td>(6.4)</td>
<td>(12.0)</td>
</tr>
<tr>
<td>Forethought Note interest payment</td>
<td>-</td>
<td>-</td>
<td>59.7</td>
<td>10.0</td>
</tr>
<tr>
<td>Change in working capital</td>
<td>(12.3)</td>
<td>(19.8)</td>
<td>(16.4)</td>
<td>16.9</td>
</tr>
<tr>
<td>Other, net</td>
<td>(15.3)</td>
<td>12.8</td>
<td>10.4</td>
<td>(17.2)</td>
</tr>
<tr>
<td><strong>Net cash provided by operating activities (A)</strong></td>
<td>$ 127.2</td>
<td>$ 138.2</td>
<td>$ 189.5</td>
<td>$ 118.2</td>
</tr>
<tr>
<td><strong>Capital expenditures (B)</strong></td>
<td>(29.9)</td>
<td>(20.9)</td>
<td>(21.9)</td>
<td>(16.3)</td>
</tr>
<tr>
<td>Forethought Note principal repayment</td>
<td>-</td>
<td>-</td>
<td>91.5</td>
<td>-</td>
</tr>
<tr>
<td>Acquisition of businesses, net of cash acquired</td>
<td>(415.7)</td>
<td>(4.4)</td>
<td>(240.9)</td>
<td>(371.5)</td>
</tr>
<tr>
<td>Proceeds from redemption and sales, and ARS and investments</td>
<td>1.7</td>
<td>0.8</td>
<td>12.4</td>
<td>37.2</td>
</tr>
<tr>
<td>Debt activity</td>
<td>385.6</td>
<td>(162.3)</td>
<td>28.1</td>
<td>334.2</td>
</tr>
<tr>
<td>Dividends</td>
<td>(48.7)</td>
<td>(47.6)</td>
<td>(46.9)</td>
<td>(46.2)</td>
</tr>
<tr>
<td>Purchase of common stock</td>
<td>-</td>
<td>-</td>
<td>(3.8)</td>
<td>-</td>
</tr>
<tr>
<td>Other</td>
<td>2.3</td>
<td>0.9</td>
<td>9.1</td>
<td>7.6</td>
</tr>
<tr>
<td><strong>Net change in cash</strong></td>
<td>$ 22.5</td>
<td>$ (95.3)</td>
<td>$ 17.1</td>
<td>$ 63.2</td>
</tr>
<tr>
<td><strong>Free Cash Flow (A-B)</strong></td>
<td>$ 97.3</td>
<td>$ 117.3</td>
<td>$ 167.6</td>
<td>$ 101.9</td>
</tr>
</tbody>
</table>