

Hillenbrand, Inc.
Form 10-Q
August 03, 2016
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

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

For the quarterly period ended June 30, 2016

Commission File No. 001-33794

HILLENBRAND, INC.
(Exact name of registrant as specified in its charter)

Indiana 26-1342272
(State of incorporation) (I.R.S. Employer Identification No.)

One Batesville Boulevard
Batesville, IN 47006
(Address of principal executive offices) (Zip Code)

(812) 934-7500
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

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

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company

Indicate by check mark whether the registrant is a shell Company (as defined in Rule 12b-2 of the Exchange Act). Yes No

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The registrant had 63,110,562 shares of common stock, no par value per share, outstanding as of July 28, 2016.

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PART I — FINANCIAL INFORMATION

Item 1. FINANCIAL STATEMENTS

Hillenbrand, Inc.

Consolidated Statements of Income (Unaudited)

(in millions, except per share data)

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2016	2015	2016	2015
Net revenue	\$371.0	\$398.7	\$1,109.7	\$1,204.8
Cost of goods sold	227.5	259.8	695.3	778.9
Gross profit	143.5	138.9	414.4	425.9
Operating expenses	87.2	79.1	256.6	247.0
Amortization expense	7.2	6.5	25.6	21.5
Interest expense	6.6	5.7	18.9	17.8
Other (expense) income, net	(0.3)	(1.3)	(1.9)	(6.3)
Income before income taxes	42.2	46.3	111.4	133.3
Income tax expense	10.9	13.8	31.9	39.9
Consolidated net income	31.3	32.5	79.5	93.4
Less: Net income attributable to noncontrolling interests	0.6	0.4	2.7	1.1
Net income(1)	\$30.7	\$32.1	\$76.8	\$92.3
Net income(1) — per share of common stock:				
Basic earnings per share	\$0.49	\$0.51	\$1.21	\$1.46
Diluted earnings per share	\$0.48	\$0.50	\$1.21	\$1.44
Weighted average shares outstanding (basic)	63.4	63.3	63.3	63.2
Weighted average shares outstanding (diluted)	63.9	63.9	63.8	63.8
Cash dividends declared per share	\$0.2025	\$0.2000	\$0.6075	\$0.6000

(1) Net income attributable to Hillenbrand

See Condensed Notes to Consolidated Financial Statements

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Hillenbrand, Inc.

Consolidated Statements of Comprehensive Income (Unaudited)

(in millions)

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2016	2015	2016	2015
Consolidated net income	\$31.3	\$32.5	\$79.5	\$93.4
Changes in other comprehensive income (loss), net of tax				
Currency translation adjustment	(13.7)	20.3	(9.3)	(36.3)
Pension and postretirement (net of quarter-to-date tax of \$0.4 and \$1.0 and year-to-date tax of \$1.6 and \$1.5)	0.4	0.9	0.9	2.7
Change in net unrealized gain (loss) on derivative instruments (net of quarter-to-date tax of \$0.5 and (\$0.8) and year-to-date tax of (\$0.6) and \$0.8)	(1.6)	2.5	(0.6)	(1.8)
Total changes in other comprehensive income (loss), net of tax	(14.9)	23.7	(9.0)	(35.4)
Consolidated comprehensive income	16.4	56.2	70.5	