

Hillenbrand, Inc.
Form 10-Q
May 01, 2019
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

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

For the quarterly period ended March 31, 2019

OR

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

For the transition period from _____ to _____

Commission File Number. 001-33794

HILLENBRAND, INC.

(Exact name of registrant as specified in its charter)

Indiana 26-1342272
(State 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 ý No o

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ý No o

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

Large accelerated filer ý Accelerated filer o Emerging growth company o

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Non-accelerated filer Smaller reporting company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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

The registrant had 62,621,870 shares of common stock, no par value per share, outstanding as of April 26, 2019.

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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		Six Months	
	Ended		Ended	
	March 31,		March 31,	
	2019	2018	2019	2018
Net revenue	\$464.6	\$452.2	\$874.9	\$849.4
Cost of goods sold	303.7	283.6	567.0	534.6
Gross profit	160.9	168.6	307.9	314.8
Operating expenses	93.7	98.3	184.4	187.4
Amortization expense	8.6	7.5	16.4	15.1
Impairment charge	—	63.4	—	63.4
Interest expense	5.4	6.0	10.9	12.3
Other income (expense), net	0.1	(1.1)	0.6	(1.5)
Income (loss) before income taxes	53.3	(7.7)	96.8	35.1
Income tax expense	13.8	13.6	28.3	37.3
Consolidated net income (loss)	39.5	(21.3)	68.5	(2.2)
Less: Net income attributable to noncontrolling interests	1.5	0.6	2.2	1.6
Net income (loss) (1)	\$38.0	\$(21.9)	\$66.3	\$(3.8)
Net income (loss) (1) — per share of common stock:				
Basic earnings per share	\$0.60	\$(0.34)	\$1.05	\$(0.06)
Diluted earnings per share	\$0.60	\$(0.34)	\$1.05	\$(0.06)
Weighted average shares outstanding (basic)	62.9	63.3	62.9	63.5
Weighted average shares outstanding (diluted)	63.4	63.3	63.4	63.5

(1) Net income (loss) 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 March 31, 2019		Six Months Ended March 31, 2018	
Consolidated net income (loss)	\$39.5	\$(21.3)	\$68.5	\$(2.2)
Changes in other comprehensive (loss) income, net of tax				
Currency translation adjustment	(4.6)	14.7	(9.5)	21.0
Pension and postretirement (net of tax of quarter-to-date tax of \$0.1 and \$0.4 and year-to-date tax of \$0.2 and \$0.7)	0.3	0.7	0.5	1.4
Change in net unrealized gain (loss) on derivative instruments (net of quarter-to-date tax of \$0.9 and \$0.1 and year-to-date tax of \$2.6 and \$0.1)	(3.2)	0.5	(8.4)	0.3
Total changes in other comprehensive (loss) income, net of tax	(7.5)	15.9	(17.4)	22.7
Consolidated comprehens				