



Kennametal to Invest in Tungsten-Cobalt Blended Powder Operations in U.S. and China

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Company Commences Plans for a New Global Recycling Facility in the United States and Expanded Tungsten-Cobalt Powder Operations at its Tianjin, China Plant Serving Asia

LATROBE, Pa., Nov. 15, 2012 /PRNewswire/ -- Kennametal Inc. (NYSE: KMT) today announced commencement of work to evaluate plans and potential locations for an advanced carbide recycling facility in the United States to serve global markets, while also expanding tungsten-cobalt blended powder operations at its existing facility in Tianjin, China to serve the Asia-Pacific region.

Both multiyear projects focus on diversifying Kennametal's tungsten sourcing to balance supplies, costs and access to raw materials, while also supporting sustainability and its global growth strategy to achieve one-third of revenues each from North America, Europe and Asia/Rest of World. By adding tungsten-cobalt blended powder capacity in Tianjin close to China's source mines, the company expects to streamline customer service in that region while reducing export delays and duties on the material. The company noted that initial capital plans for these projects are included in its FY13 forecast.

Kennametal is launching preliminary work to establish an advanced carbide recycling facility in the United States where it will reclaim material from scrap and consumed products such as metal-cutting inserts, and reuse it for new production. "We're talking about a high-tech operation where we'll process used materials to develop new compounds essential to our industrial technology," said Kennametal Chairman, President and CEO Carlos Cardoso. "This is an exciting first for our company, demonstrating our commitment to invest in sustainability and advanced technology strengthening our leadership in America, and our service to customers around the world."

Certain statements in this release may be forward-looking in nature, or "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements are statements that do not relate strictly to historical or current facts. For example, statements about Kennametal's expectations regarding future growth and financial performance are forward-looking statements. Any forward looking statements are based on current knowledge, expectations and estimates that involve inherent risks and uncertainties. Should one or more of these risks or uncertainties materialize, or should the assumptions underlying the forward-looking statements prove incorrect, our actual results could vary materially from our current expectations. There are a number of factors that could cause our actual results to differ from those indicated in the forward-looking statements. They include: economic recession; availability and cost of the raw materials we use to manufacture our products; our foreign operations and international markets, such as currency exchange rates, different regulatory environments, trade barriers, exchange controls, and social and political instability; changes in the regulatory environment in which we operate, including environmental, health and safety regulations; our ability to protect and defend our intellectual property; competition; our ability to retain our management and employees; demands on management resources; demand for and market acceptance of our products; integrating acquisitions and achieving the expected savings and synergies; business divestitures; and implementation of environmental remediation matters. Many of these risks and other risks are more fully described in Kennametal's latest annual report on Form 10-K and its other periodic filings with the Securities and Exchange Commission. We undertake no obligation to release publicly any revisions to forward-looking statements as a result of future events or developments.

Kennametal Inc. (NYSE: KMT) delivers productivity to customers seeking peak performance in demanding environments by providing innovative custom and standard wear-resistant solutions. This proven productivity is enabled through our advanced material sciences and application knowledge. Our commitment to a sustainable environment provides additional value to our customers. Companies operating in everything from airframes to coal mining, from engines to oil wells and from turbochargers to construction recognize Kennametal for extraordinary contributions to their value chains. With annual sales of nearly \$3 billion and approximately 13,000 employees, Kennametal serves customers in more than 60 countries worldwide – with more than 50 percent of these revenues coming from outside North America. Visit us at www.kennametal.com.

SOURCE Kennametal Inc.

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