



Kennametal Completes Acquisition of Tungsten Materials Business from ATI

November 4, 2013

- **Aligns with company's long-term growth strategies**
- **Expands presence in aerospace and energy end markets; further augments tooling portfolio**
- **Accelerates metallurgical strategy including planned tungsten carbide recycling and production facility**
- **Planned synergies to be detailed on Nov. 6 during company Analyst Day event**

LATROBE, Pa., Nov. 4, 2013 /PRNewswire/ -- Kennametal Inc. (NYSE: KMT) today completed its transaction to acquire the Tungsten Materials business from Allegheny Technologies Incorporated (NYSE: ATI) for \$605 million. The acquisition, announced on Sept. 16, 2013, brings annual sales of approximately \$340 million and an estimated 1,175 employees.

"We are absolutely delighted to welcome the employees who today become part of a winning business combination for mutual growth and industry leadership," said Kennametal Chairman, President and Chief Executive Officer Carlos Cardoso. "Toward this aim, we will harness the best of both organizations, including our broad-based industry talent, to provide excellent service and unrivaled capabilities to our customers in diverse markets around the world."

This addition builds on Kennametal's recent Emura and Stellite acquisitions, while also increasing the company's presence in key growth sectors, including aerospace, energy and associated process industries.

During the company's Nov. 6 Analyst Day event, Kennametal will discuss detailed plans for synergies expected in the business combination, including operating efficiencies, procurement, raw-material cost savings and productivity. Additionally, the company plans to build on the business' tungsten production and recycling capabilities, which will accelerate Kennametal's metallurgical strategy and reduce previously planned capital expenditures.

Celebrating its 75th year as an industrial technology leader, Kennametal Inc. delivers productivity to customers seeking peak performance in demanding environments. The company provides innovative wear-resistant products, application engineering and services backed by advanced material science, serving customers in 60 countries across diverse sectors of aerospace, earthworks, energy, industrial production, transportation and infrastructure. With approximately 13,000 employees and nearly \$3 billion in sales, the company realizes half of its revenue from outside North America, and 40% globally from innovations introduced in the past five years. Recognized among the "World's Most Ethical Companies" (Ethisphere); "Outstanding Corporate Innovator" (Product Development Management Association); and "America's Safest Companies" (EHS Today) with a focus on 100% safety, Kennametal and its foundation invest in technical education, industrial technologies and material science to deliver the promise of progress and economic prosperity to people everywhere. For more information, visit the company's website at www.kennametal.com.

Certain statements in this presentation 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 outlook for earnings, and expectations regarding future growth 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: the failure of any conditions to consummation of the transaction not being satisfied or waived, 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; potential claims relating to our products; integrating acquisitions and achieving the expected savings and synergies; business divestitures; and implementation of environmental remediation matters. Many of these 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.

SOURCE Kennametal Inc.

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