



Kennametal Inc. Proposes Acquisition of Minority Interest In Its JLK Direct Distribution Inc. Subsidiary

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LATROBE, Pa., July 20 /PRNewswire/ -- Kennametal Inc. (NYSE: KMT) announced that it has made a proposal to JLK Direct Distribution Inc. (NYSE: JLK) to acquire the outstanding shares of JLK that it does not already own for \$6.70 per share in cash.

Kennametal currently owns approximately 83% of JLK. The aggregate value of the transaction would be approximately \$28.7 million to acquire the minority interest of approximately 4.3 million shares.

The proposal is subject to the approval of the JLK Board of Directors, including the approval of the special committee comprised of the independent directors of the JLK Board, and to conditions customary in transactions of this type. The proposal is not conditioned on financing.

Kennametal reserves the right to amend or withdraw this proposal at any time at its sole discretion. Kennametal does not anticipate making further announcements regarding this matter until such time as an agreement has been reached or until negotiations are terminated.

Kennametal is a global leader in providing tools, tooling systems and solutions to the metalworking, mining, highway construction, oil and energy industries, and wear-resistant parts for a wide range of industries. Headquartered in Latrobe, Pa., Kennametal has approximately 13,000 employees worldwide and annual sales of approximately \$1.9 billion.

This press release does not constitute an offer to, or solicitation of, the minority shareowners of JLK. If a definitive agreement is entered into with JLK, disclosure materials describing the agreement and the structure of the transaction thereafter will be filed with the Securities and Exchange Commission and transmitted to the minority shareowners for their careful review.

SOURCE Kennametal Inc.

Web site: <http://www.kennametal.com>

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