



Kennametal Announces Intent to Issue Common Stock and Senior Unsecured Notes

May 23, 2002

LATROBE, Pa., May 23 /PRNewswire-FirstCall/ -- Kennametal Inc. (NYSE: KMT) today announced its intention to launch an underwritten public offering of 3,000,000 shares of Common Stock and an underwritten public offering of \$300 million of Senior Unsecured Notes due in 2012.

The offerings are consistent with the company's previously announced plans to fund the acquisition of the Widia Group as part of a comprehensive refinancing of its capital structure, which is also expected to include a new, three-year revolving credit facility. The company believes these financing arrangements are consistent with its commitment to investment grade ratings. Standard & Poor's rates the company's Corporate Credit Rating BBB. Its senior unsecured debt is rated Ba1 by Moody's, and BBB- by Fitch.

In connection with these offerings, the company will issue preliminary fiscal 2003 guidance on Tuesday, May 28, 2002. The guidance will be detailed in a press release available immediately following market close, and a conference call beginning at 5:00 p.m. EDT. Access the live or archived conference by visiting the Investor Relations section of Kennametal's corporate web site (kennametal.com).

Kennametal is offering all of the securities. Goldman, Sachs & Co. and Lehman Brothers are lead managing the Common Stock offering. Goldman, Sachs & Co. and JP Morgan are lead managing the Notes offering.

When available, a copy of the prospectuses relating to the offerings may be obtained from Goldman, Sachs & Co., 85 Broad Street, New York, NY 10004. These documents will also be filed with the Securities and Exchange Commission and will be available at the SEC's Website at www.sec.gov.

This press release shall not constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of these securities in any state or jurisdiction in which such offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

The actual amount of any securities to be issued, and the terms of those securities, will be determined at the time of sale.

This release contains certain "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. You can identify these forward-looking statements by the fact they use words such as "should," "anticipate," "estimate," "approximate," "expect," "may," "will," "project," "intend," "plan," "believe," and others words of similar meaning and expression in connection with any discussion of future operating or financial performance. One can also identify forward-looking statements by the fact that they do not relate strictly to historical or current facts. These statements are likely to relate to, among other things, our goals, plans and projections regarding our financial position, results of operations, market position and product development, which are based on current expectations that involve inherent risks and uncertainties, including factors that could delay, divert or change any of them in the next several years. Although it is not possible to predict or identify all factors, they may include the following: global economic conditions; risks associated with integrating and divesting businesses and achieving the expected savings and synergies; demands on management resources; risks associated with international markets such as currency exchange rates, and social and political environments; competition; labor relations; commodity prices; demand for and market acceptance of new and existing products; and risks associated with the implementation of restructuring plans and environmental remediation matters. We can give no assurance that any goal or plan set forth in forward-looking statements can be achieved and readers are cautioned not to place undue reliance on such statements, which speak only as of the date made. We undertake no obligation to release publicly any revisions to forward-looking statements as a result of future events or developments.

Kennametal Inc. aspires to be the premier tooling solutions supplier in the world with operational excellence throughout the value chain and best-in-class manufacturing and technology. The company provides customers a broad range of technologically advanced tools, tooling systems and engineering services aimed at improving customers' manufacturing competitiveness. With approximately 12,000 employees worldwide, Kennametal is represented in more than 60 countries. Kennametal operations in Europe are headquartered in Furth, Germany. Kennametal Asia Pacific operations are headquartered in Singapore.

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

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