



Kennametal Cited for Excellence in Product Development Portfolio Management

October 30, 2006

LATROBE, Pa., Oct 30, 2006 /PRNewswire-FirstCall via COMTEX News Network/ -- Kennametal Inc. (NYSE: KMT) announced today it has been named one of five best-practice partners for excellence in product development portfolio management by APQC, a nonprofit organization and internationally recognized leader in benchmarking, knowledge management, measurement and quality programs. In a survey process that included numerous corporations in the U.S. known for their portfolio management processes, Kennametal was recognized for efficiencies in research and development programs, specifically in regards to their Metalworking Products Council (MPC) used to consistently manage and prioritize projects and the Kennametal Value Business System (KVBS), both of which promote innovative culture at the company worldwide.

"We are very excited to be recognized by APQC as a best-practice partner for the third year in a row," commented Kennametal Chief Technical Officer, Dr. William Hsu. "At Kennametal, we have a continued focus on product development and portfolio management as we continue to grow strategically and aim for one third of sales from North America, one third from Western Europe and one third in the rest of the world. Commitment to our product development processes, the Kennametal Value Business System (KVBS) and our values, ambitions and code of ethics, enable us to continually develop our portfolio, foster an innovative culture and provide continuous improvement to our customers."

APQC and its sponsors for the Portfolio Management: Optimizing for Success consortium study visited Kennametal headquarters in Latrobe, Pennsylvania for a site tour and examination of the company's best practices. In September 2006, Kennametal was named a best-practice partner in portfolio management and participated in a knowledge transfer session held at APQC headquarters in Houston, Texas. Barry J. Novotny attended on behalf of Kennametal and presented materials on Kennametal's product development and portfolio management processes.

Kennametal was previously recognized by APQC as a best-practice partner for innovation in September 2005 and R&D Productivity in December 2004.

Kennametal Inc. (NYSE: KMT) is a leading global supplier of tooling, engineered components and advanced materials consumed in production processes. The company improves customers' competitiveness by providing superior economic returns through the delivery of application knowledge and advanced technology to master the toughest of materials application demands. Companies producing everything from airframes to coal, from medical implants to oil wells and from turbochargers to motorcycle parts recognize Kennametal for extraordinary contributions to their value chains. Customers buy over \$2.3 billion annually of Kennametal products and services-delivered by our approximately 13,500 talented employees in over 60 countries -- with almost 50 percent of these revenues coming from outside the United States. Visit us at www.kennametal.com.

About APQC's Consortium Study Process

In the past decade, APQC has conducted more than 130 consortium learning studies with a focus on helping organizations improve productivity and quality. APQC's benchmarking studies provide participants a proven way to assess emerging trends, identify best-practice approaches, and connect with others around topics of mutual interest. Each time APQC convenes a consortium to study a business process or issue, a select group of organizations are chosen to serve as best-practice partners. These organizations exhibit exceptional performance or employ innovative approaches in the research area, and are studied in depth to help APQC and study sponsors identify the best practices and processes that have driven their success. APQC's experts guide the process, conduct the research, and write a formal action-based report, all for approximately one-tenth the cost of one-on-one benchmarking. For more information visit www.apqc.org or call 800-776-9676 or +1-713-681-4020. [KMT-G]

SOURCE Kennametal Inc.

Investor Relations, Quynh McGuire, +1-724-539-6559, or Media Relations, Joy Chandler, +1-724-539-4618, both of Kennametal Inc.

<http://www.kennametal.com>

Copyright (C) 2006 PR Newswire. All rights reserved

News Provided by COMTEX