



Kennametal Increases Ownership Interest in Italian and Spanish Affiliates; Another Step Toward Expanding Presence in Key European Markets

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LATROBE, Pa., July 19, 2006 /PRNewswire-FirstCall via COMTEX News Network/ -- Kennametal Inc. (NYSE: KMT) announced today that it has recently increased its ownership in its Italian and Spanish affiliates. This action grows Kennametal's ownership in Kennametal Italia S.p.A. from 55 percent to 66 percent and in Kenci S.A. from 43 percent to 53 percent.

Kennametal Italia S.p.A. serves the Italian metalworking market via a highly skilled sales force and service center and also operates a manufacturing facility that provides high-performance products for Kennametal's worldwide sales network. Kenci S.A. serves the metalworking market in Spain and Portugal with a market-leading sales and service organization. Kennametal has long enjoyed robust growth and strong financial performance in the Italian, Spanish and Portuguese markets through these two important affiliates. The increase of ownership in these companies provides an opportunity for Kennametal to expand opportunities to serve customers in these growing key markets.

"Increasing our ownership in these companies is another example of our ongoing strategy to invest, grow and increase our customer base in important markets around the world," said Carlos Cardoso, Kennametal President and CEO. "We have had great success in Italy, Spain and Portugal over the years and we will continue to build upon that to enhance service to existing customers and to reach new ones."

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 billion annually of Kennametal products and services-delivered by our nearly 14,000 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. [KMT-G]

SOURCE Kennametal Inc.

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