



## **Kennametal Announces Acquisition of Sintec Group**

June 12, 2006

LATROBE, Pa., June 12, 2006 /PRNewswire-FirstCall via COMTEX News Network/ -- Kennametal Inc. (NYSE: KMT) announced today that it has signed a definitive agreement to purchase the Sintec Group, headquartered in Buching, Germany. The purchase of Sintec, which manufactures ceramic engineered components used in the aerospace, general engineering, metallizing and medical markets, complements Kennametal's core knowledge of materials science. The transaction is expected to close by June 30, 2006, and remains subject to customary regulatory approval and negotiated conditions of closing.

The Sintec Group was founded in 1980 and has operations in Schongau and Halblech-Buching, Germany, Biel, Switzerland, Shanghai, China, Newport, UK and in Bridgeport, Connecticut in the United States. The company employs about 200 people across its facilities.

"The acquisition of the Sintec Group is directly in line with our strategy to grow both organically and through acquisitions in the advanced materials and engineered components space," commented James Breisinger, Kennametal Vice President and President of Advanced Components Group. "Kennametal has a core competency in ceramics systems in the metalcutting industry, where we are one of the market leaders. This acquisition will take the company into adjacent technological and geographic markets, allowing us to expand our competency in non-metalcutting ceramics," said Breisinger.

"Sintec serves the European, Asian and North American markets," Breisinger continued. "With Kennametal's global infrastructure, we will be able to leverage Sintec's advanced ceramic technology effectively in support of our plans to grow our business to be one-third North America, one-third Europe, and one-third emerging markets."

This release contains "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 other 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 and regional economic conditions; risks associated with the availability and costs of raw materials; risks associated with integrating acquisitions and achieving the expected savings and synergies; risks relating to business divestitures; energy costs; commodity prices; competition; demands on management resources; risks associated with international markets, such as currency exchange rates and social and political environments; future terrorist attacks; labor relations; 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. (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 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](http://www.kennametal.com) [KMT-G]

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