



Kennametal Completes Divestiture of FSS Business Unit

May 5, 2005

LATROBE, Pa., May 5, 2005 /PRNewswire-FirstCall via COMTEX/ -- Kennametal Inc. (NYSE: KMT) announced today that it has completed the previously reported divestiture of its Full Service Supply business unit to Ferguson Enterprises, Inc. Ferguson is the US-based subsidiary of Wolseley PLC, a UK-based firm with revenues of approximately \$19 billion. The company plans to use the proceeds of the sale for additional investment in its core consumable materials business and for further debt reduction. The disposition of this unit is in line with the continued execution of Kennametal's strategy to concentrate on its core businesses.

The investment banking group of NatCity Investment, Inc. acted as the financial advisor to Kennametal in this transaction.

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 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.

Investor Relations, +1-724-539-6141, or Media Relations, Joy Chandler,
+1-724-539-4618, both of Kennametal Inc.

<http://www.prnewswire.com>

Copyright (C) 2005 PR Newswire. All rights reserved.

News Provided by COMTEX