



Kennametal Signs Five-Year Loan Agreement with Improved Terms

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Kennametal Inc. (NYSE: KMT) announced today the signing of a \$500 million five-year credit agreement. This syndicated bank facility amends and restates Kennametal's prior loan agreement. It contains favorable pricing and enhanced liquidity relative to the company's amended 2006 agreement.

"We are pleased with our banking partners' confidence in and support of Kennametal and its business outlook. This five year transaction meaningfully extends our debt maturity profile and provides long-term funding stability," commented Kennametal Vice President and Chief Financial Officer Frank Simpkins. Kennametal intends to use these funds for general corporate purposes and to refinance the company's revolving credit facility that was scheduled to mature in March 2011.

Bank of America N.A. is acting as joint lead arranger and administrative agent for the transaction. PNC Bank, National Association and JPMorgan Chase Bank, N.A. are also joint lead arrangers and co-syndication agents. The agent group is completed by Citizens Bank of Pennsylvania and Bank of Tokyo Mitsubishi UFJ Trust Company in their capacity as co-documentation agents.

Kennametal Inc. (NYSE: KMT) delivers productivity to customers seeking peak performance in demanding environments by providing innovative custom and standard wear-resistant solutions. This proven productivity is enabled through our advanced materials sciences and application knowledge. Our commitment to a sustainable environment provides additional value to our customers. Companies operating in everything from airframes to coal mining, from engines to oil wells and from turbochargers to construction recognize Kennametal for extraordinary contributions to their value chains. In fiscal year 2009, customers bought approximately \$2.0 billion of Kennametal products and services - delivered by our nearly 12,000 talented employees doing business in more than 60 countries - with more than 50 percent of these revenues coming from outside North America. Visit us at www.kennametal.com

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