
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended: September 30, 2025
OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____
Commission file number 1-5318

KENNAMETAL INC.

(Exact name of registrant as specified in its charter)

Pennsylvania
(State or other jurisdiction of incorporation or organization)

25-0900168
(I.R.S. Employer Identification No.)

525 William Penn Place
Suite 3300
Pittsburgh, Pennsylvania
(Address of principal executive offices)

15219
(Zip Code)

Registrant's telephone number, including area code: **(412) 248-8000**

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Capital Stock, par value \$1.25 per share	KMT	New York Stock Exchange
Preferred Stock Purchase Rights		New York Stock Exchange

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of October 31, 2025, 76,093,136 shares of the Registrant's Capital Stock, par value \$1.25 per share, were outstanding.

KENNAMETAL INC.
FORM 10-Q
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2025

TABLE OF CONTENTS

<u>Item No.</u>		<u>Page No.</u>
<u>PART I - FINANCIAL INFORMATION</u>		
1.	Financial Statements	
	Condensed Consolidated Statements of Income (Unaudited) Three months ended September 30, 2025 and 2024	4
	Condensed Consolidated Statements of Comprehensive Income (Unaudited) Three months ended September 30, 2025 and 2024	4
	Condensed Consolidated Balance Sheets (Unaudited) September 30, 2025 and June 30, 2025	5
	Condensed Consolidated Statements of Cash Flow (Unaudited) Three months ended September 30, 2025 and 2024	6
	Notes to Condensed Consolidated Financial Statements (Unaudited)	7
2.	Management’s Discussion and Analysis of Financial Condition and Results of Operations	21
3.	Quantitative and Qualitative Disclosures About Market Risk	31
4.	Controls and Procedures	31
5.	Other Information	31
<u>PART II - OTHER INFORMATION</u>		
1.	Legal Proceedings	32
2.	Unregistered Sales of Equity Securities, Use of Proceeds, and Issuer Purchases of Equity Securities	32
6.	Exhibits	33
	Signatures	34

FORWARD-LOOKING INFORMATION

This Quarterly Report on Form 10-Q contains “forward-looking” statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements are statements that do not relate strictly to historical or current facts. You can identify forward-looking statements by 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 or events. We have also included forward-looking statements in this Quarterly Report on Form 10-Q concerning, among other things, our strategy, goals, plans and projections regarding our financial position, liquidity and capital resources, results of operations, market position and product development. These statements are based on current estimates that involve inherent risks and uncertainties. Should one or more of these risks or uncertainties materialize, or should the assumptions underlying the forward-looking statements prove incorrect, our actual results could vary materially from our current expectations. There are a number of factors that could cause our actual results to differ from those indicated in the forward-looking statements. They include: uncertainties related to changes in macroeconomic and/or global conditions, including as a result of increased inflation, tariffs, and Russia's invasion of Ukraine and the resulting sanctions on Russia; the conflict in the Middle East; other economic recession; our ability to achieve all anticipated benefits of restructuring, simplification and modernization initiatives; Commercial Excellence growth initiatives and Operational Excellence initiatives; our foreign operations and international markets, such as currency exchange rates, different regulatory environments, trade barriers, exchange controls, and social and political instability, including the conflicts in Ukraine and the Middle East; changes in the regulatory environment in which we operate, including environmental, health and safety regulations; potential for future goodwill and other intangible asset impairment charges; our ability to protect and defend our intellectual property; continuity of information technology infrastructure; competition; our ability to retain our management and employees; demands on management resources; availability and cost of the raw materials we use to manufacture our products; product liability claims; integrating acquisitions and achieving the expected savings and synergies; global or regional catastrophic events; demand for and market acceptance of our products; business divestitures; energy costs; commodity prices; labor relations; and implementation of environmental remediation matters. We provide additional information about many of the specific risks we face in the “Risk Factors” section of our Annual Report on Form 10-K and in other periodic reports we file from time to time with the Securities and Exchange Commission. We can give no assurance that any goal or plan set forth in our forward-looking statements will be achieved and readers are cautioned not to place undue reliance on such statements, which speak only as of the date made. Except as required by law, we do not intend to release publicly any revisions to forward-looking statements as a result of future events or developments.

PART I – FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

**KENNAMETAL INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)**

(in thousands, except per share amounts)	Three Months Ended September 30,	
	2025	2024
Sales	\$ 497,974	\$ 481,948
Cost of goods sold	343,424	330,939
Gross profit	154,550	151,009
Operating expense	113,028	111,653
Restructuring and other charges, net (Note 6)	1,589	611
Amortization of intangibles	2,374	2,718
Operating income	37,559	36,027
Interest expense	6,186	6,312
Other income, net	(2,322)	(1,657)
Income before income taxes	33,695	31,372
Provision for income taxes	9,064	7,906
Net income	24,631	23,466
Less: Net income attributable to noncontrolling interests	1,333	1,343
Net income attributable to Kennametal	\$ 23,298	\$ 22,123
PER SHARE DATA ATTRIBUTABLE TO KENNAMETAL SHAREHOLDERS		
Basic earnings per share	\$ 0.31	\$ 0.28
Diluted earnings per share	\$ 0.30	\$ 0.28
Basic weighted average shares outstanding	76,128	78,067
Diluted weighted average shares outstanding	76,829	78,657

**KENNAMETAL INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (UNAUDITED)**

(in thousands)	Three Months Ended September 30,	
	2025	2024
Net income	\$ 24,631	\$ 23,466
Other comprehensive (loss) income, net of tax		
Unrealized loss on derivatives designated and qualified as cash flow hedges	(8)	(84)
Reclassification of unrealized gain on derivatives designated and qualified as cash flow hedges	(166)	(222)
Unrecognized net pension and other postretirement benefit plans gain (loss)	646	(2,575)
Reclassification of net pension and other postretirement benefit plans loss	2,353	2,186
Foreign currency translation adjustments	(3,254)	35,036
Total other comprehensive (loss) income, net of tax	(429)	34,341
Total comprehensive income	24,202	57,807
Less: comprehensive income attributable to noncontrolling interests	709	2,066
Comprehensive income attributable to Kennametal Shareholders	\$ 23,493	\$ 55,741

The accompanying notes are an integral part of these condensed consolidated financial statements.

KENNAMETAL INC.
CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)

(in thousands, except per share data)	September 30, 2025	June 30, 2025
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 103,497	\$ 140,540
Accounts receivable, less allowance for doubtful accounts of \$8,258 and \$8,819, respectively	288,014	295,401
Inventories (Note 9)	565,194	538,237
Other current assets	76,093	65,092
Total current assets	1,032,798	1,039,270
Property, plant and equipment:		
Land and buildings	439,880	440,187
Machinery and equipment	2,057,966	2,058,497
Less accumulated depreciation	(1,599,982)	(1,578,770)
Property, plant and equipment, net	897,864	919,914
Other assets:		
Goodwill (Note 17)	282,545	282,726
Other intangible assets, less accumulated amortization of \$177,962 and \$175,501, respectively (Note 17)	64,862	67,209
Operating lease right-of-use assets	42,779	45,221
Deferred income taxes	90,065	90,473
Other	108,011	100,599
Total other assets	588,262	586,228
Total assets	\$ 2,518,924	\$ 2,545,412
LIABILITIES		
Current liabilities:		
Revolving and other lines of credit and notes payable (Note 11)	\$ 1,405	\$ 977
Current operating lease liabilities	12,197	12,187
Accounts payable	193,443	195,929
Accrued income taxes	5,932	8,546
Accrued expenses	48,252	55,584
Other current liabilities	135,749	149,106
Total current liabilities	396,978	422,329
Long-term debt, less current maturities (Note 10)	596,990	596,788
Operating lease liabilities	30,997	33,408
Deferred income taxes	32,641	32,609
Accrued pension and postretirement benefits	112,890	112,715
Accrued income taxes	1,956	1,936
Other liabilities	20,875	20,979
Total liabilities	1,193,327	1,220,764
Commitments and contingencies (Note 18)		
EQUITY (Note 15)		
Kennametal Shareholders' Equity:		
Preferred stock, no par value; 5,000 shares authorized; none issued	—	—
Capital stock, \$1.25 par value; 120,000 shares authorized; 78,083 and 76,012 shares issued, respectively	95,104	95,015
Additional paid-in capital	365,696	373,902
Retained earnings	1,209,917	1,201,755
Accumulated other comprehensive loss	(386,497)	(386,693)
Total Kennametal Shareholders' Equity	1,284,220	1,283,979
Noncontrolling interests	41,377	40,669
Total equity	1,325,597	1,324,648
Total liabilities and equity	\$ 2,518,924	\$ 2,545,412

The accompanying notes are an integral part of these condensed consolidated financial statements.

KENNAMETAL INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW (UNAUDITED)

(in thousands)	Three Months Ended September 30,	
	2025	2024
OPERATING ACTIVITIES		
Net income	\$ 24,631	\$ 23,466
Adjustments to reconcile to cash from operations:		
Depreciation	32,671	30,839
Amortization	2,374	2,718
Stock-based compensation expense	8,239	7,937
Restructuring and other charges, net (Note 6)	1,589	611
Deferred income taxes	7	(1,253)
Gain on insurance recoveries	—	(5,000)
Other	817	1,742
Changes in certain assets and liabilities:		
Accounts receivable	7,026	26,605
Inventories	(28,027)	(17,455)
Accounts payable and accrued liabilities	(13,547)	(22,270)
Accrued income taxes	(2,937)	1,976
Accrued pension and postretirement benefits	(281)	(1,195)
Other	(15,075)	(2,975)
Net cash flow provided by operating activities	17,487	45,746
INVESTING ACTIVITIES		
Purchases of property, plant and equipment	(22,982)	(24,748)
Disposals of property, plant and equipment	14	93
Proceeds from insurance recoveries	—	4,693
Other	262	9
Net cash flow used in investing activities	(22,706)	(19,953)
FINANCING ACTIVITIES		
Net increase in notes payable	421	—
Purchase of capital stock	(10,030)	(15,030)
The effect of employee benefit and stock plans and dividend reinvestment	(6,327)	(5,768)
Cash dividends paid to Shareholders	(15,136)	(15,582)
Other	(3)	26
Net cash flow used in financing activities	(31,075)	(36,354)
Effect of exchange rate changes on cash and cash equivalents	(749)	2,178
CASH AND CASH EQUIVALENTS		
Net decrease in cash and cash equivalents	(37,043)	(8,383)
Cash and cash equivalents, beginning of period	140,540	127,971
Cash and cash equivalents, end of period	\$ 103,497	\$ 119,588

The accompanying notes are an integral part of these condensed consolidated financial statements.

KENNAMETAL INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**1. BASIS OF PRESENTATION**

The condensed consolidated financial statements and accompanying notes included in this Quarterly Report on Form 10-Q, which include our accounts and those of our subsidiaries in which we have a controlling interest, should be read in conjunction with the consolidated financial statements and accompanying notes included in our Annual Report on Form 10-K for the fiscal year ended June 30, 2025 (the “2025 Annual Report”). The condensed consolidated balance sheet as of June 30, 2025 was derived from the audited balance sheet included in our 2025 Annual Report. The interim statements are unaudited; however, we believe that all adjustments necessary for a fair statement of the results of the interim periods were made and all adjustments are normal recurring adjustments. The results for the three months ended September 30, 2025 are not necessarily indicative of the results to be expected for a full fiscal year. Unless otherwise specified, any reference to a “year” is to a fiscal year ended June 30. For example, a reference to 2026 is to the fiscal year ending June 30, 2026. When used in this Quarterly Report on Form 10-Q, unless the context requires otherwise, the terms “the Company,” “we,” “our” and “us” refer to Kennametal Inc. and its subsidiaries.

2. SUPPLEMENTAL CASH FLOW DISCLOSURES

(in thousands)	Three Months Ended September 30,	
	2025	2024
Cash paid during the period for:		
Interest	\$ 4,709	\$ 4,860
Income taxes	11,994	7,184
Supplemental disclosure of non-cash information:		
Changes in accounts payable related to purchases of property, plant and equipment	(9,854)	(2,827)

3. SUPPLIER FINANCE PROGRAM

We have a supplier finance program managed through two global financial institutions under which we agree to pay the financial institutions the stated amount of confirmed invoices from our participating suppliers on the invoice due date. We, or the global financial institutions, may terminate our agreements at any time upon 30 days written notice. We do not provide any forms of guarantees under these agreements. Supplier participation in the program is solely up to the supplier. We have no economic interest in a supplier’s decision to participate in the program, and their participation has no bearing on our payment terms or amounts due. The payment terms that we have with our suppliers under this program are considered commercially reasonable. As of September 30, 2025 and June 30, 2025, the obligations outstanding that the Company has confirmed as valid to the financial institutions under the program were \$25.0 million and \$17.3 million, respectively, and were recorded within trade accounts payable.

4. FAIR VALUE MEASUREMENTS

Fair value is defined as the price that would be received on the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy consists of three levels to prioritize the inputs used in valuations, as defined below:

Level 1: Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, including quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; inputs other than quoted prices that are observable for the asset or liability (e.g., interest rates); and inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3: Inputs that are unobservable.

KENNAMETAL INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

As of September 30, 2025, the fair values of our financial assets and financial liabilities are categorized as follows:

(in thousands)	Level 1	Level 2	Level 3	Total
Assets:				
Derivatives ⁽¹⁾	\$ —	\$ 56	\$ —	\$ 56
Total assets at fair value	\$ —	\$ 56	\$ —	\$ 56
Liabilities:				
Derivatives ⁽¹⁾	\$ —	\$ 20	\$ —	\$ 20
Total liabilities at fair value	\$ —	\$ 20	\$ —	\$ 20

As of June 30, 2025, the fair values of our financial assets and financial liabilities are categorized as follows:

(in thousands)	Level 1	Level 2	Level 3	Total
Assets:				
Derivatives ⁽¹⁾	\$ —	\$ 88	\$ —	\$ 88
Total assets at fair value	\$ —	\$ 88	\$ —	\$ 88
Liabilities:				
Derivatives ⁽¹⁾	\$ —	\$ 81	\$ —	\$ 81
Total liabilities at fair value	\$ —	\$ 81	\$ —	\$ 81

⁽¹⁾ Currency derivatives are valued based on observable market spot and forward rates and are classified within Level 2 of the fair value hierarchy.

There have been no changes in classification and transfers between levels in the fair value hierarchy in the current period.

5. DERIVATIVE INSTRUMENTS AND HEDGING ACTIVITIES

As part of our financial risk management program, we use certain derivative financial instruments. We do not enter into derivative transactions for speculative purposes and, therefore, we do not hold any derivative instruments for trading purposes. We account for derivative instruments as a hedge of the related asset, liability, firm commitment or anticipated transaction, when the derivative is specifically designated and qualifies as a hedge of such items. Our objective in managing foreign exchange exposures with derivative instruments is to reduce volatility in cash flow. We measure hedge effectiveness by assessing the changes in the fair value or expected future cash flows of the hedged item.

The fair value of derivatives designated and not designated as hedging instruments in the condensed consolidated balance sheets are as follows:

(in thousands)	September 30, 2025	June 30, 2025
Derivatives designated as hedging instruments		
Other current assets - range forward contracts	\$ 11	\$ —
Other current liabilities - range forward contracts	—	(9)
Total derivatives designated as hedging instruments	11	(9)
Derivatives not designated as hedging instruments		
Other current assets - currency forward contracts	\$ 45	\$ 88
Other current liabilities - currency forward contracts	(20)	(72)
Total derivatives not designated as hedging instruments	25	16
Total derivatives	\$ 36	\$ 7

KENNAMETAL INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Certain currency forward contracts that hedge significant cross-border intercompany loans are considered as other derivatives and therefore do not qualify for hedge accounting. These contracts are recorded at fair value in the condensed consolidated balance sheets, with the offset to other income, net. Losses (gains) related to derivatives not designated as hedging instruments have been recognized as follows:

(in thousands)	Three Months Ended September 30,	
	2025	2024
Other expense (income), net - currency forward contracts	\$ 3	\$ (14)

CASH FLOW HEDGES

Range forward contracts (a transaction where both a put option is purchased and a call option is sold) are designated as cash flow hedges and hedge anticipated cash flows from cross-border intercompany sales of products and services. Gains and losses realized on these contracts are recorded in accumulated other comprehensive loss and are recognized as a component of cost of goods sold when the underlying sale of products or services is recognized into earnings. The notional amount of the contracts translated into U.S. dollars at September 30, 2025 and June 30, 2025 was \$4.7 million and \$4.7 million, respectively. The time value component of the fair value of range forward contracts is excluded from the assessment of hedge effectiveness.

The following represents losses, net of tax, related to cash flow hedges:

(in thousands)	Three Months Ended September 30,	
	2025	2024
Unrealized loss recognized in other comprehensive income	\$ (8)	\$ (84)

No portion of the gains or losses recognized in earnings was due to ineffectiveness and no amounts were excluded from our effectiveness testing for the three months ended September 30, 2025 and 2024.

NET INVESTMENT HEDGES

As of September 30, 2025, we had certain foreign currency-denominated intercompany loans payable with total aggregate principal amounts of ¥168.6 million and €10.0 million, designated as net investment hedges to hedge the foreign exchange exposure of our net investment in our China-based and Euro-based subsidiaries, respectively. As of June 30, 2025, we had ¥82.3 million foreign currency-denominated intercompany loans payable designated as net investment hedges to hedge the foreign exchange exposure of our net investment in our China-based subsidiaries. A loss of \$0.1 million and an immaterial gain were recorded as a component of foreign currency translation adjustments in other comprehensive (loss) income for the three months ended September 30, 2025 and 2024, respectively.

As of September 30, 2025, the foreign currency-denominated intercompany loans payable designated as net investment hedges consisted of:

Instrument		Notional (CNY and EUR in thousands) ⁽²⁾		Notional (USD in thousands) ⁽²⁾	Maturity
Foreign currency-denominated intercompany loan payable	¥	82,931	\$	11,649	March 2026
Foreign currency-denominated intercompany loan payable	€	10,011	\$	11,751	June 2026
Foreign currency-denominated intercompany loan payable	¥	85,695	\$	12,038	August 2026

⁽²⁾ Includes principal and accrued interest.

KENNAMETAL INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
6. RESTRUCTURING AND OTHER CHARGES, NET

In January 2025, we announced several actions to support the long-term competitiveness of the Company and to mitigate softer market conditions. Total restructuring and related charges for this program of \$15.6 million, compared to a target of approximately \$25 million, were recorded through September 30, 2025, consisting of \$13.0 million in Metal Cutting and \$2.6 million in Infrastructure. The Company substantially completed the closure of a facility in Greenfield, MA and the consolidation of facilities in Barcelona, Spain during 2025 as a part of these actions.

We recorded restructuring and related charges of \$3.2 million for the three months ended September 30, 2025, which consisted of \$3.3 million in Metal Cutting and a reversal of \$0.1 million in Infrastructure. Included in this amount was restructuring related charges of \$1.6 million included in cost of goods sold.

We recorded restructuring and related charges of \$0.6 million for the three months ended September 30, 2024, which consisted of \$0.6 million in Metal Cutting and an immaterial amount in Infrastructure.

As of September 30, 2025, \$8.6 million and \$2.2 million of the restructuring accrual was recorded in other current liabilities and other liabilities, respectively, in our condensed consolidated balance sheet. As of June 30, 2025, \$11.0 million and \$2.4 million of the restructuring accrual was recorded in other current liabilities and other liabilities, respectively. The amounts are as follows:

(in thousands)	June 30, 2025	Expense	Asset Write-Down	Translation	Cash Expenditures	September 30, 2025
Severance	\$ 13,394	\$ 924	\$ —	\$ 15	\$ (3,501)	\$ 10,832
Facilities	—	665	(665)	—	—	—
Total	\$ 13,394	\$ 1,589	\$ (665)	\$ 15	\$ (3,501)	\$ 10,832

7. STOCK-BASED COMPENSATION
Stock Options

Changes in our stock options for the three months ended September 30, 2025 were as follows:

	Options	Weighted Average Exercise Price	Weighted Average Remaining Life (years)	Aggregate Intrinsic Value (in thousands)
Options outstanding, June 30, 2025	101,947	\$ 30.20		
Exercised	—	—		
Lapsed or forfeited	(87,947)	31.69		
Options outstanding, September 30, 2025	14,000	\$ 20.87	0.4	\$ 1
Options vested, September 30, 2025	14,000	\$ 20.87	0.4	\$ 1
Options exercisable, September 30, 2025	14,000	\$ 20.87	0.4	\$ 1

As of September 30, 2025 and June 30, 2025, there was no unrecognized compensation cost related to options outstanding, and all options were fully vested as of September 30, 2025 and June 30, 2025.

There was no cash received from the exercise of options during the three months ended September 30, 2025 and 2024. The total intrinsic value of options exercised during the three months ended September 30, 2025 and 2024 was zero.

KENNAMETAL INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
Restricted Stock Units – Performance Vesting and Time Vesting

Changes in our performance vesting and time vesting restricted stock units for the three months ended September 30, 2025 were as follows:

	Performance Vesting Stock Units	Performance Vesting Weighted Average Fair Value	Time Vesting Stock Units	Time Vesting Weighted Average Fair Value
Unvested, June 30, 2025	568,332	\$ 24.76	1,197,215	\$ 25.50
Granted	365,215	21.02	831,312	21.04
Vested	(221,398)	27.27	(541,871)	25.87
Performance metric adjustments, net	(38,930)	26.28	—	—
Forfeited	(4,805)	23.09	(16,274)	23.56
Unvested, September 30, 2025	668,414	\$ 21.81	1,470,382	\$ 22.87

During the three months ended September 30, 2025 and 2024, compensation expense related to time vesting and performance vesting restricted stock units was \$7.4 million and \$7.4 million, respectively. Performance vesting stock units were adjusted by 38,930 units during the three months ended September 30, 2025 related to the fiscal 2025 performance year. As of September 30, 2025, the total unrecognized compensation cost related to unvested time vesting and performance vesting restricted stock units was \$35.1 million and is expected to be recognized over a weighted average period of 2.0 years.

8. PENSION AND OTHER POSTRETIREMENT BENEFITS

The table below summarizes the components of net periodic pension expense:

(in thousands)	Three Months Ended September 30,	
	2025	2024
Service cost	\$ 277	\$ 228
Interest cost	8,128	8,505
Expected return on plan assets	(9,572)	(10,662)
Amortization of prior service credit	(4)	(2)
Recognition of actuarial loss	2,922	2,102
Settlement	—	837
Net periodic pension expense	\$ 1,751	\$ 1,008

During the three months ended September 30, 2024, the Company completed the wind-up of its Canadian defined benefit pension plans and recorded a settlement charge of \$0.8 million.

The table below summarizes the components of net periodic other postretirement benefit cost:

(in thousands)	Three Months Ended September 30,	
	2025	2024
Interest cost	\$ 87	\$ 98
Amortization of prior service credit	(63)	(63)
Recognition of actuarial loss	31	34
Net periodic other postretirement benefit cost	\$ 55	\$ 69

The service cost component of net periodic pension expense is reported as a component of cost of goods sold and operating expense. All other components of net periodic pension expense and net periodic other postretirement benefit cost are reported as a component of other income, net.

KENNAMETAL INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**9. INVENTORIES**

We used the last-in, first-out (LIFO) method of valuing inventories for 33 percent and 34 percent of total inventories at September 30, 2025 and June 30, 2025, respectively. Inventory valuations under the LIFO method are based on an annual determination of quantities and costs as of June 30 of each year; therefore, the interim LIFO valuations are based on our projections of expected year-end inventory levels and costs and are subject to any final year-end LIFO inventory adjustments.

Inventories consisted of the following:

(in thousands)	September 30, 2025	June 30, 2025
Finished goods	\$ 329,202	\$ 328,243
Work in process and powder blends	250,392	225,726
Raw materials	102,432	90,257
Inventories at current cost	682,026	644,226
Less: LIFO valuation	(116,832)	(105,989)
Total inventories	\$ 565,194	\$ 538,237

10. LONG-TERM DEBT

Fixed rate debt had a fair market value of \$576.6 million and \$570.8 million at September 30, 2025 and June 30, 2025, respectively. The Level 2 fair value is determined based on the quoted market prices for similar debt instruments as of September 30, 2025 and June 30, 2025, respectively.

11. REVOLVING AND OTHER LINES OF CREDIT AND NOTES PAYABLE

During fiscal 2022, we entered into the Sixth Amended and Restated Credit Agreement dated as of June 14, 2022 (the Credit Agreement). The Credit Agreement is a five-year, multi-currency, revolving credit facility, which we use to augment cash from operations and as an additional source of funds. The Credit Agreement provides for revolving credit loans of up to \$700.0 million for working capital, capital expenditures and general corporate purposes. The Credit Agreement allows for borrowings in U.S. dollars, euros, pounds sterling and Japanese yen. Interest payable under the Credit Agreement is based upon the type of borrowing under the facility and may be (1) Euro Interbank Offered Rate (EURIBOR), Sterling Overnight Index Average (SONIA), Tokyo Interbank Offered Rate (TIBOR) and Secured Overnight Financing Rate (SOFR) for any borrowings in euros, pounds sterling, yen, and U.S. dollars, respectively, plus an applicable margin, (2) the greater of the prime rate or the Federal Funds effective rate plus an applicable margin, or (3) fixed as negotiated by us. The Credit Agreement matures in June 2027.

The Credit Agreement requires us to comply with various restrictive and affirmative covenants, including one financial covenant: a maximum leverage ratio where debt, net of domestic cash in excess of \$25 million and sixty percent of the unrestricted cash held outside of the United States, must be less than or equal to 3.75 times trailing twelve months EBITDA, adjusted for certain non-cash expenses.

As of September 30, 2025, we were in compliance with all the covenants of the Credit Agreement, and there were no borrowings outstanding and \$700.0 million of additional availability. There were no borrowings outstanding as of June 30, 2025.

Borrowings on other lines of credit and notes payable were \$1.4 million and \$1.0 million at September 30, 2025 and June 30, 2025, respectively.

12. ENVIRONMENTAL MATTERS

The operation of our business has exposed us to certain liabilities and compliance costs related to environmental matters. We are involved in various environmental cleanup and remediation activities at certain sites associated with our current or former operations.

We establish and maintain accruals for estimated liabilities associated with certain environmental matters. At September 30, 2025, the balance of such accruals was \$11.0 million, of which \$1.4 million was current. At June 30, 2025, the balance was \$11.0 million, of which \$1.4 million was current.

KENNAMETAL INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

We record a loss contingency when the available information indicates it is probable that we have incurred a liability and the amount of the loss is reasonably estimable. The likelihood of a loss with respect to a particular environmental matter is often difficult to predict, and determining a meaningful estimate of the loss or a range of loss may not be practicable based on information available. When a material loss contingency is probable but a reasonable estimate cannot be made, or when a material loss contingency is at least reasonably possible, disclosure is provided. The accruals we have established for estimated environmental liabilities represent our best current estimate of the probable and reasonably estimable costs of addressing identified environmental situations, based on our review of currently available evidence, and taking into consideration our prior experience in remediation and that of other companies, as well as public information released by the United States Environmental Protection Agency (USEPA), other governmental agencies and by the Potentially Responsible Party (PRP) groups in which we are participating. The accrued liabilities for all environmental concerns could change substantially due to factors such as the nature and extent of contamination, changes in remedial requirements, technological changes, discovery of new information, the financial strength of other PRPs, the identification of new PRPs and the involvement of and direction taken by the government or the courts on these matters.

Among other environmental laws, we are subject to the Comprehensive Environmental Response Compensation and Liability Act of 1980 (CERCLA), under which we have been identified by the USEPA or other third party as a PRP with respect to environmental remedial costs at certain Superfund sites. We have evaluated our claims and estimated liability associated with these sites based upon the best information currently available to us. We believe our environmental accruals are adequate to cover our portion of the environmental remedial costs at the sites where we have been designated a PRP, to the extent these expenses are probable and reasonably estimable.

13. INCOME TAXES

The effective income tax rates for the three months ended September 30, 2025 and 2024 were 26.9 percent and 25.2 percent, respectively. The year-over-year change is primarily due to benefits recorded in the current year quarter for the advanced manufacturing production credit and a tax rate change enacted in Germany, a benefit recorded in the prior year quarter for interest received to resolve an income tax dispute in India and geographical mix.

On July 4, 2025, the One Big Beautiful Bill Act (OBBBA), which includes a broad range of tax reform provisions, was signed into law in the United States. We do not expect the OBBBA to have a material impact on our consolidated financial statements in the current fiscal year and are currently evaluating the potential impact it will have on future periods.

14. EARNINGS PER SHARE

Basic earnings per share is computed using the weighted average number of shares outstanding during the period, while diluted earnings per share is calculated to reflect the potential dilution that would occur related to the issuance of capital stock under stock option grants, performance awards and restricted stock units. The difference between basic and diluted earnings per share relates solely to the effect of capital stock options, performance awards and restricted stock units.

The following table provides the computation of diluted shares outstanding for the three months ended September 30, 2025 and 2024:

(in thousands)	Three Months Ended September 30,	
	2025	2024
Weighted-average shares outstanding during the period	76,128	78,067
Add: Unexercised stock options and unvested restricted stock units	701	590
Number of shares on which diluted earnings per share is calculated	76,829	78,657
Unexercised stock options with an exercise price greater than the average market price and restricted stock units not included in the computation because they were anti-dilutive	653	666

KENNAMETAL INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
15. EQUITY

A summary of the changes in the carrying amounts of total equity, Kennametal Shareholders' equity and equity attributable to noncontrolling interests for the three months ended September 30, 2025 and 2024 is as follows:

(in thousands, except per share amounts)	Kennametal Shareholders' Equity				Non-controlling interests	Total equity
	Capital stock	Additional paid-in capital	Retained earnings	Accumulated other comprehensive loss		
Balance as of June 30, 2025	\$ 95,015	\$ 373,902	\$ 1,201,755	\$ (386,693)	\$ 40,669	\$ 1,324,648
Net income	—	—	23,298	—	1,333	24,631
Other comprehensive loss	—	—	—	196	(625)	(429)
Dividend reinvestment	2	37	—	—	—	39
Capital stock issued under employee benefit and stock plans ⁽²⁾	683	1,191	—	—	—	1,874
Purchase of capital stock	(596)	(9,434)	—	—	—	(10,030)
Cash dividends (\$0.20 per share)	—	—	(15,136)	—	—	(15,136)
Total equity, September 30, 2025	\$ 95,104	\$ 365,696	\$ 1,209,917	\$ (386,497)	\$ 41,377	\$ 1,325,597

(in thousands, except per share amounts)	Kennametal Shareholders' Equity				Non-controlling interests	Total equity
	Capital stock	Additional paid-in capital	Retained earnings	Accumulated other comprehensive loss		
Balance as of June 30, 2024	\$ 97,361	\$ 416,620	\$ 1,170,482	\$ (434,588)	\$ 38,724	\$ 1,288,599
Net income	—	—	22,123	—	1,343	23,466
Other comprehensive income	—	—	—	33,618	723	34,341
Dividend reinvestment	2	40	—	—	—	42
Capital stock issued under employee benefit and stock plans ⁽²⁾	534	1,593	—	—	—	2,127
Purchase of capital stock	(752)	(14,278)	—	—	—	(15,030)
Cash dividends (\$0.20 per share)	—	—	(15,582)	—	—	(15,582)
Total equity, September 30, 2024	\$ 97,145	\$ 403,975	\$ 1,177,023	\$ (400,970)	\$ 40,790	\$ 1,317,963

⁽²⁾ Net of restricted stock units delivered upon vesting to satisfy tax withholding requirements.

The amounts of comprehensive (loss) income attributable to Kennametal Shareholders and noncontrolling interests are disclosed in the condensed consolidated statements of comprehensive income.

KENNAMETAL INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

16. ACCUMULATED OTHER COMPREHENSIVE LOSS

The components of, and changes in, accumulated other comprehensive loss (AOCL) were as follows, net of tax, for the three months ended September 30, 2025:

(in thousands)	Pension and other postretirement benefits	Currency translation adjustment	Derivatives	Total
Attributable to Kennametal:				
Balance, June 30, 2025	\$ (223,016)	\$ (165,859)	2,182 \$	(386,693)
Other comprehensive income (loss) before reclassifications	646	(2,629)	(8)	(1,991)
Amounts reclassified from AOCL	2,353	—	(166)	2,187
Net other comprehensive income (loss)	2,999	(2,629)	(174)	196
AOCL, September 30, 2025	\$ (220,017)	\$ (168,488)	2,008 \$	(386,497)
Attributable to noncontrolling interests:				
Balance, June 30, 2025	\$ —	\$ (7,844)	— \$	(7,844)
Other comprehensive loss before reclassifications	—	(625)	—	(625)
Net other comprehensive loss	—	(625)	—	(625)
AOCL, September 30, 2025	\$ —	\$ (8,469)	— \$	(8,469)

The components of, and changes in, AOCL were as follows, net of tax, for the three months ended September 30, 2024:

(in thousands)	Pension and other postretirement benefits	Currency translation adjustment	Derivatives	Total
Attributable to Kennametal:				
Balance, June 30, 2024	\$ (221,308)	\$ (216,263)	2,983 \$	(434,588)
Other comprehensive (loss) income before reclassifications	(2,575)	34,313	(84)	31,654
Amounts reclassified from AOCL	2,186	—	(222)	1,964
Net other comprehensive (loss) income	(389)	34,313	(306)	33,618
AOCL, September 30, 2024	\$ (221,697)	\$ (181,950)	2,677 \$	(400,970)
Attributable to noncontrolling interests:				
Balance, June 30, 2024	\$ —	\$ (8,680)	— \$	(8,680)
Other comprehensive income before reclassifications	—	723	—	723
Net other comprehensive income	—	723	—	723
AOCL, September 30, 2024	\$ —	\$ (7,957)	— \$	(7,957)

KENNAMETAL INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Reclassifications out of AOCL for the three months ended September 30, 2025 and 2024 consisted of the following:

(in thousands)	Three Months Ended September 30,		Affected line item in the Income Statement
	2025	2024	
Gains on cash flow hedges:			
Forward starting interest rate swaps	\$ (255)	\$ (255)	Interest expense
Currency exchange contracts	35	(42)	Cost of goods sold
Total before tax	(220)	(297)	
Tax impact	54	75	Provision for income taxes
Net of tax	\$ (166)	\$ (222)	
Pension and other postretirement benefits:			
Amortization of transition obligations	\$ —	\$ —	Other income, net
Amortization of prior service credit	(67)	(65)	Other income, net
Recognition of actuarial losses	2,953	2,136	Other income, net
Settlement	—	837	Other income, net
Total before tax	2,886	2,908	
Tax impact	(533)	(722)	Provision for income taxes
Net of tax	\$ 2,353	\$ 2,186	

The amount of income tax allocated to each component of other comprehensive (loss) income for the three months ended September 30, 2025 and 2024 were as follows:

(in thousands)	2025			2024		
	Pre-tax	Tax impact	Net of tax	Pre-tax	Tax impact	Net of tax
Unrealized loss on derivatives designated and qualified as cash flow hedges	\$ (11)	\$ 3	\$ (8)	\$ (112)	\$ 28	\$ (84)
Reclassification of unrealized gain on derivatives designated and qualified as cash flow hedges	(220)	54	(166)	(297)	75	(222)
Unrecognized net pension and other postretirement benefit plans gain (loss)	860	(214)	646	(3,469)	894	(2,575)
Reclassification of net pension and other postretirement benefit plans loss	2,886	(533)	2,353	2,908	(722)	2,186
Foreign currency translation adjustments	(3,254)	—	(3,254)	35,036	—	35,036
Other comprehensive (loss) income	\$ 261	\$ (690)	\$ (429)	\$ 34,066	\$ 275	\$ 34,341

KENNAMETAL INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
17. GOODWILL AND OTHER INTANGIBLE ASSETS

A summary of the carrying amount of goodwill attributable to each segment, as well as the changes in such, is as follows:

(in thousands)	Metal Cutting	Infrastructure	Total
Gross goodwill	\$ 460,387	\$ 633,211	\$ 1,093,598
Accumulated impairment losses	(177,661)	(633,211)	(810,872)
Balance as of June 30, 2025	\$ 282,726	\$ —	\$ 282,726
Activity for the three months ended September 30, 2025:			
Change in gross goodwill due to translation	(181)	—	(181)
Gross goodwill	460,206	633,211	1,093,417
Accumulated impairment losses	(177,661)	(633,211)	(810,872)
Balance as of September 30, 2025	\$ 282,545	\$ —	\$ 282,545

The components of our other intangible assets were as follows:

(in thousands)	Estimated Useful Life (in years)	September 30, 2025		June 30, 2025	
		Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
Technology-based and other	4 to 20	\$ 32,723	\$ (26,464)	\$ 32,699	\$ (26,243)
Customer-related	10 to 21	159,765	(112,752)	159,722	(111,184)
Unpatented technology	10 to 30	26,397	(24,645)	26,373	(24,281)
Trademarks	5 to 20	23,939	(14,101)	23,917	(13,793)
Total		\$ 242,824	\$ (177,962)	\$ 242,711	\$ (175,501)

18. COMMITMENTS AND CONTINGENCIES

In February 2025, MachiningCloud, Inc. filed a lawsuit against the Company in the Superior Court of the State of California alleging breach of a contract and other matters and is seeking more than \$330 million in damages. The Company removed the case to federal court in the Western District of California Western Division. At this early stage of the litigation, no determination can be made with regard to the outcome of the litigation, including the probability of an unfavorable outcome. The Company intends to vigorously defend the action, including without limitation, bringing counterclaims against MachiningCloud, Inc.

19. SEGMENT DATA

We operate in two reportable segments consisting of Metal Cutting and Infrastructure. Our reportable operating segments have been determined in accordance with our internal management structure, which is organized based on operating activities, the manner in which we organize segments for allocating resources, making operating decisions and assessing performance and the availability of separate financial results. We do not allocate certain corporate expenses related to executive retirement plans, our Board of Directors, strategic initiatives, and certain other costs and report them in Corporate. Our reportable operating segments do not represent the aggregation of two or more operating segments.

KENNAMETAL INC.**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)**

METAL CUTTING The Metal Cutting segment develops and manufactures high performance tooling and metal cutting products and services and offers an assortment of standard and custom metal cutting solutions to diverse end markets, including Aerospace & Defense, General Engineering, Energy and Transportation. The products include milling, hole making, turning, threading and toolmaking systems used in the manufacture of airframes, aero engines, trucks and automobiles, ships and various types of industrial equipment. We leverage advanced manufacturing capabilities in combination with varying levels of customization to solve our customers' toughest challenges and deliver improved productivity for a wide range of applications. Metal Cutting markets its products under the Kennametal®, WIDIA®, WIDIA Hanita® and WIDIA GTD® brands through its direct sales force, a network of independent and national distributors, integrated supplier channels and via the Internet. Application engineers and technicians are critical to the sales process and directly assist our customers with specified product design, selection, application and support.

INFRASTRUCTURE Our Infrastructure segment produces engineered tungsten carbide and ceramic components, earth-cutting tools, and advanced metallurgical powders, primarily for the Aerospace & Defense, Energy, Earthworks and General Engineering end markets. These wear-resistant products include compacts, nozzles, frac seats and custom components used in oil and gas and petrochemical industries; rod blanks and abrasive water jet nozzles for general industries; earth cutting tools and systems used in underground mining, trenching and foundation drilling and road milling; tungsten carbide powders for the oil and gas, aerospace and process industries; high temperature critical wear components, tungsten penetrators and armor solutions for aerospace and defense; and ceramics used by the packaging industry for metallization of films and papers. We combine deep metallurgical and engineering expertise with advanced manufacturing capabilities, such as 3D printing, to deliver solutions that drive improved productivity for our customers. Infrastructure markets its products primarily under the Kennametal® brand and sells through a direct sales force as well as through distributors.

Segment data is summarized as follows:

(in thousands)	Three Months Ended September 30,	
	2025	2024
Sales:		
Metal Cutting	\$ 310,625	\$ 296,900
Infrastructure	187,349	185,048
Total sales	\$ 497,974	\$ 481,948
Cost of goods sold:		
Metal Cutting	\$ 200,775	\$ 187,506
Infrastructure	142,595	143,427
Operating expense:		
Metal Cutting	\$ 86,173	\$ 84,571
Infrastructure	26,264	26,557
Restructuring and other charges, net:		
Metal Cutting	\$ 1,718	\$ 621
Infrastructure	(129)	(10)
Amortization of intangibles:		
Metal Cutting	\$ 396	\$ 380
Infrastructure	1,979	2,338

KENNAMETAL INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
Operating income:

Metal Cutting	\$ 21,564	\$ 23,822
Infrastructure	16,639	12,734
Total segment operating income	38,203	36,556
Unallocated corporate expenses	(644)	(529)
Total operating income	\$ 37,559	\$ 36,027

Interest expense	\$ 6,186	\$ 6,312
Other income, net	(2,322)	(1,657)
Income before income taxes	\$ 33,695	\$ 31,372

Depreciation and amortization:

Metal Cutting	\$ 24,447	\$ 22,999
Infrastructure	10,598	10,558
Total depreciation and amortization	\$ 35,045	\$ 33,557

Segment assets⁽³⁾:

Metal Cutting	\$ 1,394,560	\$ 1,425,968
Infrastructure	701,801	695,288
Corporate	422,563	400,673
Total assets	\$ 2,518,924	\$ 2,521,929

Capital expenditures:

Metal Cutting	\$ 11,615	\$ 16,368
Infrastructure	11,367	8,380
Total capital expenditures	\$ 22,982	\$ 24,748

⁽³⁾ Metal Cutting and Infrastructure segment assets are principally accounts receivable, less allowance for doubtful accounts; inventories; property, plant and equipment, net; goodwill; other intangible assets, net of accumulated amortization; and operating lease ROU assets. Corporate assets are principally cash and cash equivalents, other current assets, long-term prepaid pension benefit, deferred income taxes and other assets.

The following table presents Kennametal's revenue disaggregated by geography:

(in percentages)	Three Months Ended					
	September 30, 2025			September 30, 2024		
	Metal Cutting	Infrastructure	Total Kennametal	Metal Cutting	Infrastructure	Total Kennametal
Americas	46%	57%	50%	45%	56%	49%
Europe, the Middle East and Africa (EMEA)	36	21	31	36	21	30
Asia Pacific	18	22	19	19	23	21

KENNAMETAL INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

The following table presents Kennametal's revenue disaggregated by end market:

(in percentages)	September 30, 2025			Three Months Ended September 30, 2024		
	Metal Cutting	Infrastructure	Total Kennametal	Metal Cutting	Infrastructure	Total Kennametal
General Engineering	52%	31%	44%	53%	33%	46%
Transportation	26	—	16	27	—	16
Aerospace & Defense	14	11	13	13	8	11
Energy	8	21	13	7	23	13
Earthworks	—	37	14	—	36	14

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (MD&A)

OVERVIEW

Kennametal Inc. was founded based on a tungsten carbide technology breakthrough in 1938. The Company was incorporated in Pennsylvania in 1943 as a manufacturer of tungsten carbide metal cutting tooling and was listed on the New York Stock Exchange (NYSE) in 1967. With more than 85 years of materials expertise, the Company is a global industrial technology leader, helping customers across the Aerospace & Defense, Earthworks, Energy, General Engineering and Transportation industries manufacture with precision and efficiency. This expertise includes the development and application of tungsten carbides, ceramics, super-hard materials and solutions used in metal cutting and extreme wear applications to keep customers up and running longer against conditions such as corrosion and high temperatures.

Our standard and custom product offering spans metal cutting and wear applications including turning, milling, hole making, tooling systems and services, as well as specialized wear components and metallurgical powders. End users of the Company's metal cutting products include manufacturers engaged in a diverse array of industries including: the manufacturers of transportation vehicles and components, machine tools and light and heavy machinery; airframe and aerospace components; and energy-related components for the oil and gas industry, as well as power generation. The Company's wear and metallurgical powders are used by producers and suppliers in equipment-intensive operations such as road construction, mining, quarrying, oil and gas exploration, refining, production and supply, and for aerospace and defense.

Throughout MD&A, we refer to measures used by management to evaluate performance. We also refer to a number of financial measures that are not defined under accounting principles generally accepted in the United States of America (U.S. GAAP), including organic sales growth (decline), constant currency regional sales growth (decline) and constant currency end market sales growth (decline). We provide the definitions of these non-GAAP financial measures at the end of the MD&A section as well as details on the use and derivation of these financial measures.

Our sales of \$498.0 million for the three months ended September 30, 2025 increased 3 percent from \$481.9 million in the prior year quarter, reflecting an organic sales growth of 3 percent and a favorable currency exchange effect of 1 percent, partially offset by a divestiture effect of 1 percent.

Operating income for the three months ended September 30, 2025 was \$37.6 million compared to \$36.0 million in the prior year quarter. The year-over-year increase of \$1.5 million was driven by pricing and tariff surcharges and incremental year-over-year restructuring savings of approximately \$8 million, partially offset by higher compensation costs, tariffs and general inflation, a prior year benefit from net insurance proceeds of \$4 million that did not repeat in the current year and an increase in incremental restructuring and related charges of approximately \$3 million.

Operating margin for the three months ended September 30, 2025 was 7.5 percent compared to 7.5 percent in the prior year quarter. The Metal Cutting and Infrastructure segments had operating margins of 6.9 percent and 8.9 percent, respectively, for the three months ended September 30, 2025.

Uncertainties with respect to evolving global trade policies and tariffs have negatively affected the global economy. The Company's results of operations, cash flows and financial condition could be negatively impacted by a decrease in demand for our products or an inability to effectively mitigate tariff-related cost increases through pricing and sourcing strategies. These factors could also increase the potential for future impairment charges, including goodwill and other intangible asset impairments. We have executed tariff mitigation actions including the implementation of surcharges on certain product sales and, where appropriate, rerouted internal supply chains. The unmitigated net effect from increased tariffs was immaterial during the three months ended September 30, 2025.

Additionally, our business has been negatively affected by foreign currency exchange and inflationary headwinds. We have been able to partially mitigate the effects of inflation, foreign currency exchange challenges and other disruptions through price increases on our products. We cannot predict the ultimate effect of these issues on our business, operating results or financial condition, but we will continue to monitor macroeconomic conditions and attempt to mitigate the negative effect to the extent possible.

For the three months ended September 30, 2025, earnings per diluted share (EPS) was \$0.30 compared to EPS of \$0.28 in the prior year quarter.

Net cash flow provided by operating activities was \$17.5 million during the three months ended September 30, 2025 compared to \$45.7 million during the prior year period. Capital expenditures were \$23.0 million and \$24.7 million during the three months ended September 30, 2025 and 2024, respectively. During the three months ended September 30, 2025, the Company returned \$25.1 million to shareholders through \$10.0 million in share repurchases and \$15.1 million in dividends. The Company has a long history of consistently paying dividends to shareholders since its listing on the New York Stock Exchange in 1967.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)**RESULTS OF CONTINUING OPERATIONS**

SALES Sales for the three months ended September 30, 2025 were \$498.0 million, an increase of \$16.0 million, or 3 percent, from \$481.9 million in the prior year quarter, reflecting organic sales growth of 3 percent and a favorable currency exchange effect of 1 percent, partially offset by a divestiture effect of 1 percent.

Our sales growth (decline) by end market and region are as follows:

(in percentages)	Three Months Ended September 30, 2025	
	As Reported	Constant Currency ⁽¹⁾
End market sales growth (decline):		
Aerospace & Defense	22%	20%
Energy	(1)	1
General Engineering	—	—
Transportation	1	(1)
Earthworks	6	5
Regional sales growth (decline):		
Americas	4%	7%
Europe, the Middle East and Africa (EMEA)	5	—
Asia Pacific	(1)	(1)

⁽¹⁾ Constant currency excludes the effect of divestiture and currency exchange.

GROSS PROFIT Gross profit for the three months ended September 30, 2025 was \$154.6 million, an increase of \$3.5 million from \$151.0 million in the prior year quarter. The increase was driven by pricing and tariff surcharges and incremental year-over-year restructuring savings, partially offset by higher compensation costs, tariffs and general inflation, and a prior year benefit from net insurance proceeds of \$4 million that did not repeat in the current year. Gross profit margin for the three months ended September 30, 2025 was 31.0 percent, as compared to 31.3 percent in the prior year quarter.

OPERATING EXPENSE Operating expense for the three months ended September 30, 2025 was \$113.0 million compared to \$111.7 million for the three months ended September 30, 2024.

Research and development expenses included in operating expense totaled \$10.6 million and \$11.1 million for the three months ended September 30, 2025 and 2024, respectively.

RESTRUCTURING AND OTHER CHARGES, NET In January 2025, we announced several actions to support the long-term competitiveness of the Company and to mitigate softer market conditions. Total restructuring and related charges for this program of \$15.6 million, compared to a target of approximately \$25 million, were recorded through September 30, 2025, consisting of \$13.0 million in Metal Cutting and \$2.6 million in Infrastructure. The Company substantially completed the closure of a facility in Greenfield, MA and the consolidation of facilities in Barcelona, Spain during 2025 as a part of these actions.

We recorded restructuring and related charges of \$3.2 million for the three months ended September 30, 2025, which consisted of \$3.3 million in Metal Cutting and a reversal of \$0.1 million in Infrastructure. Included in this amount was restructuring related charges of \$1.6 million included in cost of goods sold.

We recorded restructuring and related charges of \$0.6 million for the three months ended September 30, 2024, which consisted of \$0.6 million in Metal Cutting and an immaterial amount in Infrastructure.

INTEREST EXPENSE Interest expense for the three months ended September 30, 2025 decreased to \$6.2 million compared to \$6.3 million for the three months ended September 30, 2024.

**Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
(CONTINUED)**

OTHER INCOME, NET Other income, net for the three months ended September 30, 2025 was \$2.3 million compared to \$1.7 million during the three months ended September 30, 2024. The increase in other income was primarily due to foreign currency transaction gains including preferential exchange rates in Bolivia.

PROVISION FOR INCOME TAXES The effective income tax rates for the three months ended September 30, 2025 and 2024 were 26.9 percent and 25.2 percent, respectively. The year-over-year change is primarily due to benefits recorded in the current year quarter for the advanced manufacturing production credit and a tax rate change enacted in Germany, a benefit recorded in the prior year quarter for interest received to resolve an income tax dispute in India and geographical mix.

On July 4, 2025, the One Big Beautiful Bill Act (OBBBA), which includes a broad range of tax reform provisions, was signed into law in the United States. We do not expect the OBBBA to have a material impact on our consolidated financial statements in the current fiscal year and are currently evaluating the potential impact it will have on future periods.

BUSINESS SEGMENT REVIEW

We operate in two reportable segments consisting of Metal Cutting and Infrastructure. Our reportable operating segments have been determined in accordance with our internal management structure, which is organized based on operating activities, the manner in which we organize segments for allocating resources, making operating decisions and assessing performance and the availability of separate financial results. We do not allocate certain corporate expenses related to executive retirement plans, our Board of Directors, strategic initiatives, and certain other costs and report them in Corporate. Our reportable operating segments do not represent the aggregation of two or more operating segments.

Our sales and operating income by segment are as follows:

(in thousands)	Three Months Ended September 30,	
	2025	2024
Sales:		
Metal Cutting	\$ 310,625	\$ 296,900
Infrastructure	187,349	185,048
Total sales	\$ 497,974	\$ 481,948
Operating income:		
Metal Cutting	\$ 21,564	\$ 23,822
Infrastructure	16,639	12,734
Corporate	(644)	(529)
Total operating income	37,559	36,027
Interest expense	6,186	6,312
Other income, net	(2,322)	(1,657)
Income before income taxes	\$ 33,695	\$ 31,372

METAL CUTTING

(in thousands, except operating margin)	Three Months Ended September 30,	
	2025	2024
Sales	\$ 310,625	\$ 296,900
Operating income	21,564	23,822
Operating margin	6.9 %	8.0 %

**Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
(CONTINUED)**

(in percentages)	Three Months Ended September 30, 2025
Organic sales growth	3%
Foreign currency exchange effect ⁽¹⁾	2
Business days effect ⁽⁴⁾	—
Sales growth	5%

(in percentages)	Three Months Ended September 30, 2025	
	As Reported	Constant Currency ⁽¹⁾
End market sales growth (decline) :		
Aerospace & Defense	18%	16%
Energy	15	12
Transportation	1	(1)
General Engineering	2	—
Regional sales growth (decline) :		
Americas	6%	6%
EMEA	6	1
Asia Pacific	(2)	(1)

⁽¹⁾ Constant currency excludes the effect of divestiture and currency exchange.

For the three months ended September 30, 2025, Metal Cutting sales increased 5 percent compared to the prior year quarter. This was driven by an organic sales growth of 3 percent and a favorable currency exchange effect of 2 percent. Aerospace & Defense end market sales increased in the Americas, EMEA and Asia Pacific as a result of higher volume in the Americas and global strategic focus. Energy end market sales increased in the Americas and to a lesser extent in Asia Pacific primarily due to our strategic focus, the effects of which were partially offset by lower market activity in EMEA. Sales in the General Engineering end market increased in EMEA and Asia Pacific due to slightly higher industrial activity, partially offset by a decrease in the Americas. Transportation end market sales decreased in Asia Pacific due to project timing, and to a lesser extent in EMEA as a result of a decline in vehicle production, the effects of which were partially offset by favorable currency exchange and an increase in the Americas.

On a regional basis, sales in the Americas increased primarily due to our strategic focus in Aerospace & Defense and Energy, and to a lesser extent in the Transportation end market, partially offset by lower industrial activity in General Engineering. Sales increased in EMEA primarily as a result of our strategic focus in Aerospace & Defense and higher industrial activity in General Engineering. Sales in Asia Pacific decreased primarily due to project timing in Transportation, partially offset by our strategic focus in the Aerospace & Defense and Energy end markets.

For the three months ended September 30, 2025, Metal Cutting operating income was \$21.6 million compared to \$23.8 million in the prior year quarter. The decrease in operating income was primarily due to higher compensation costs, tariffs and general inflation, and incremental restructuring and related charges of approximately \$3 million, partially offset by pricing and tariff surcharges and incremental year-over-year restructuring savings of approximately \$6 million.

INFRASTRUCTURE

(in thousands)	Three Months Ended September 30,	
	2025	2024
Sales	\$ 187,349	\$ 185,048
Operating income	16,639	12,734
Operating margin	8.9 %	6.9 %

**Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
(CONTINUED)**

(in percentages)	Three Months Ended September 30, 2025
Organic sales growth	3%
Foreign currency exchange effect ⁽¹⁾	1
Business days effect ⁽⁴⁾	—
Divestiture effect ⁽³⁾	(3)
Sales growth	1%

(in percentages)	Three Months Ended September 30, 2025	
	As Reported	Constant Currency ⁽¹⁾
End market sales growth (decline) :		
Aerospace & Defense	31%	28%
Energy	(9)	(5)
General Engineering	(4)	—
Earthworks	6	5
Regional sales growth (decline) :		
Americas	2%	7%
EMEA	2	(3)
Asia Pacific	—	—

⁽¹⁾ Constant currency excludes the effect of divestiture and currency exchange.

For the three months ended September 30, 2025, Infrastructure sales increased 1 percent from the prior year quarter. This was driven by an organic sales growth of 3 percent and a favorable currency exchange effect of 1 percent, partially offset by a divestiture effect of 3 percent. Aerospace & Defense end market sales increased in EMEA and the Americas as a result of project timing and the execution of our growth initiatives. Earthworks end market sales increased as a result of higher global construction demand, especially in the Americas partially due to order timing, partially offset by a decline in Asia Pacific mining stemming from lower customer capital investment from lower coal prices. Sales in the General Engineering end market increased in the Americas and Asia Pacific due to higher demand, offset by declines in EMEA due to softer market conditions and order timing. Energy end market sales decreased in EMEA and the Americas due to order timing and lower global oil and gas activities as rig counts decreased year-over-year.

On a regional basis, sales in the Americas increased in all end markets except for Energy. Sales in EMEA decreased due to a decline in the General Engineering end market from order timing and softer market conditions as well as a decline in the Energy end market due to order timing. This was offset by favorable currency exchange, an Aerospace & Defense end market sales increase driven by project timing and the execution of our growth initiatives, as well as higher Earthworks end market sales from higher global construction demand. Sales in Asia Pacific remained flat as a result of a decline in Earthworks end market sales being offset with an increase in General Engineering.

For the three months ended September 30, 2025, Infrastructure operating income was \$16.6 million compared to \$12.7 million in the prior year quarter. The increase in operating income was driven by pricing and incremental year-over-year restructuring savings of approximately \$2 million, partially offset by a prior year benefit from net insurance proceeds of \$4 million that did not repeat in the current year, and higher compensation costs and general inflation.

CORPORATE

(in thousands)	Three Months Ended September 30,	
	2025	2024
Corporate expense	\$ (644)	\$ (529)

**Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
(CONTINUED)**

For the three months ended September 30, 2025, Corporate expense increased by \$0.1 million from the prior year quarter.

LIQUIDITY AND CAPITAL RESOURCES

Cash flow from operations is the primary source of funding for our capital expenditures. For the three months ended September 30, 2025, cash flow provided by operating activities was \$17.5 million.

During fiscal 2022, we entered into the Sixth Amended and Restated Credit Agreement dated as of June 14, 2022 (the Credit Agreement). The Credit Agreement is a five-year, multi-currency, revolving credit facility, which we use to augment cash from operations and as an additional source of funds. The Credit Agreement provides for revolving credit loans of up to \$700.0 million for working capital, capital expenditures and general corporate purposes. The Credit Agreement allows for borrowings in U.S. dollars, euros, pounds sterling and Japanese yen. Interest payable under the Credit Agreement is based upon the type of borrowing under the facility and may be (1) Euro Interbank Offered Rate (EURIBOR), Sterling Overnight Index Average (SONIA), Tokyo Interbank Offered Rate (TIBOR), and Secured Overnight Financing Rate (SOFR) for any borrowings in euros, pounds sterling, yen, and U.S. dollars, respectively, plus an applicable margin, (2) the greater of the prime rate or the Federal Funds effective rate plus an applicable margin, or (3) fixed as negotiated by us. The Credit Agreement matures in June 2027.

The Credit Agreement requires us to comply with various restrictive and affirmative covenants, including one financial covenant: a maximum leverage ratio where debt, net of domestic cash in excess of \$25 million and sixty percent of the unrestricted cash held outside of the United States, must be less than or equal to 3.75 times trailing twelve months EBITDA, adjusted for certain non-cash expenses.

As of September 30, 2025, we were in compliance with all the covenants of the Credit Agreement, and there were no borrowings outstanding and \$700.0 million of additional availability. There were no borrowings outstanding as of June 30, 2025.

We consider the majority of the unremitted earnings of our non-U.S. subsidiaries to be permanently reinvested. With regard to these unremitted earnings, we have not, nor do we anticipate the need to, repatriate funds to the U.S. to satisfy domestic liquidity needs arising in the ordinary course of business, including liquidity needs associated with our domestic debt service requirements. With regard to the small portion of unremitted earnings that are not indefinitely reinvested, we maintain a deferred tax liability for foreign withholding and U.S. state income taxes.

At September 30, 2025, cash and cash equivalents were \$103.5 million. Total Kennametal shareholders' equity was \$1,284.2 million and total debt was \$598.4 million. Our current senior credit ratings are at investment grade levels. We believe that our current financial position, liquidity and credit ratings provide us access to the capital markets. We believe that we have sufficient resources available to meet cash requirements for the next 12 months. We continue to closely monitor our liquidity position and the condition of the capital markets, as well as the counterparty risk of our credit providers. There have been no material changes in our contractual obligations and commitments since June 30, 2025.

Share Repurchase Program In February 2024, the Board of Directors of the Company authorized the Company to purchase up to \$200 million of the Company's common stock over a three-year period. During the three months ended September 30, 2025, the Company repurchased \$10 million of Kennametal common stock.

Dividends During the three months ended September 30, 2025, the Company paid a total of \$15.1 million in dividends to Kennametal Shareholders.

Cash Flow Provided by Operating Activities

During the three months ended September 30, 2025, cash flow provided by operating activities was \$17.5 million, compared to \$45.7 million for the prior year period. Cash flow provided by operating activities for the current year period consisted of net income and non-cash items amounting to an inflow of \$70.3 million and changes in certain assets and liabilities netting to an outflow of \$52.8 million. Contributing to the changes in certain assets and liabilities were an increase in inventories of \$28.0 million, an increase in other, primarily prepaid assets, of 15.1 million and a decrease in accounts payable and accrued liabilities of \$13.5 million. Partially offsetting these cash outflows was a decrease in accounts receivable of \$7.0 million.

**Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
(CONTINUED)**

During the three months ended September 30, 2024, cash flow provided by operating activities was \$45.7 million and consisted of net income and non-cash items amounting to an inflow of \$61.1 million and changes in certain assets and liabilities netting to an outflow of \$15.3 million. Contributing to the changes in certain assets and liabilities were a decrease in accounts payable and accrued liabilities of \$22.3 million and an increase in inventories of \$17.5 million. Partially offsetting these cash outflows was a decrease in accounts receivable of \$26.6 million.

Cash Flow Used in Investing Activities

Cash flow used in investing activities was \$22.7 million for the three months ended September 30, 2025, compared to \$20.0 million for the prior year period. During the current year period, cash flow used in investing activities included capital expenditures of \$23.0 million, which consisted primarily of equipment upgrades.

Cash flow used in investing activities was \$20.0 million for the three months ended September 30, 2024 and primarily included capital expenditures of \$24.7 million, which consisted primarily of equipment upgrades, partially offset by proceeds from insurance recoveries of \$4.7 million.

Cash Flow Used in Financing Activities

Cash flow used in financing activities was \$31.1 million for the three months ended September 30, 2025 compared to \$36.4 million in the prior year period. During the current year period, cash flow used in financing activities primarily included \$15.1 million of cash dividends paid to Kennametal Shareholders, \$10.0 million in common shares repurchased and \$6.3 million of the effect of employee benefit and stock plans and dividend reinvestment.

Cash flow used in financing activities was \$36.4 million for the three months ended September 30, 2024 and primarily included \$15.6 million of cash dividends paid to Kennametal Shareholders, \$15.0 million in common shares repurchased and \$5.8 million of the effect of employee benefit and stock plans and dividend reinvestment.

FINANCIAL CONDITION

Working capital was \$635.8 million at September 30, 2025, an increase of \$18.9 million from \$616.9 million at June 30, 2025. The increase in working capital was primarily driven by an increase in inventories of \$27.0 million, a decrease in other current liabilities of \$13.4 million, an increase in other current assets of \$11.0 million and a decrease of accrued expenses of \$7.3 million, partially offset by a decrease in cash and cash equivalents of \$37.0 million and a decrease in accounts receivable of \$7.4 million. Currency exchange rate effects decreased working capital by a total of approximately \$2.0 million, the effects of which are included in the aforementioned changes.

Property, plant and equipment, net decreased \$22.1 million from \$919.9 million at June 30, 2025 to \$897.9 million at September 30, 2025, primarily due to depreciation expense of \$32.7 million and currency exchange effects of \$0.5 million, partially offset by net capital additions of \$23.0 million.

At September 30, 2025, total other assets were \$588.3 million, an increase of \$2.0 million from \$586.2 million at June 30, 2025. The increase was primarily due to an increase in other of \$7.4 million, partially offset by amortization of intangibles of \$2.4 million, a decrease in lease right-of-use assets of \$2.4 million and currency exchange rate effects of approximately \$0.6 million.

Kennametal Shareholders' equity was \$1,284.2 million at September 30, 2025, an increase of \$0.2 million from \$1,284.0 million at June 30, 2025. The increase was primarily due to net income attributable to Kennametal of \$23.3 million, and capital stock issued under employee benefit and stock plans of \$1.9 million and other comprehensive income attributable to Kennametal of \$0.2 million, partially offset by cash dividends paid to Kennametal Shareholders of \$15.1 million and the repurchase of capital stock of \$10.0 million primarily under the share repurchase program.

DISCUSSION OF CRITICAL ACCOUNTING POLICIES

There have been no changes to our critical accounting policies since June 30, 2025.

**Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
(CONTINUED)****RECONCILIATION OF FINANCIAL MEASURES NOT DEFINED BY U.S. GAAP**

In accordance with SEC rules, below are the definitions of the non-GAAP financial measures we use in this report and the reconciliation of these measures to the most closely related GAAP financial measures. We believe that these measures provide useful perspective on underlying business trends and results and provide a supplemental measure of year-over-year results. The non-GAAP financial measures described below are used by management in making operating decisions, allocating financial resources and for business strategy purposes. We believe these measures may be useful to investors as they provide supplemental information about business performance and provide investors a view of our business results through the eyes of management. These non-GAAP financial measures are not intended to be considered by the user in place of the related GAAP financial measure, but rather as supplemental information to our business results. These non-GAAP financial measures may not be the same as similar measures used by other companies due to possible differences in method and in the items or events being adjusted.

Organic sales growth (decline) Organic sales growth (decline) is a non-GAAP financial measure of sales growth (decline) (which is the most directly comparable GAAP measure) excluding the effects of acquisitions, divestitures, business days and foreign currency exchange from year-over-year comparisons. We believe this measure provides investors with a supplemental understanding of underlying sales trends by providing sales growth (decline) on a consistent basis. Also, we report organic sales growth (decline) at the consolidated and segment levels.

Constant currency end market sales growth (decline) Constant currency end market sales growth (decline) is a non-GAAP financial measure of sales growth (decline) (which is the most directly comparable GAAP measure) by end market excluding the effects of acquisitions, divestitures and foreign currency exchange from year-over-year comparisons. We note that, unlike organic sales growth, constant currency end market sales growth does not exclude the effect of business days. We believe this measure provides investors with a supplemental understanding of underlying end market trends by providing end market sales growth (decline) on a consistent basis. Also, we report constant currency end market sales growth (decline) at the consolidated and segment levels.

Constant currency regional sales growth (decline) Constant currency regional sales growth (decline) is a non-GAAP financial measure of sales growth (decline) (which is the most directly comparable GAAP measure) by region excluding the effects of acquisitions, divestitures and foreign currency exchange from year-over-year comparisons. We note that, unlike organic sales growth, constant currency regional sales growth does not exclude the effect of business days. We believe this measure provides investors with a supplemental understanding of underlying regional trends by providing regional sales growth (decline) on a consistent basis. Also, we report constant currency regional sales growth (decline) at the consolidated and segment levels.

Reconciliations of organic sales growth to sales growth are as follows:

Three Months Ended September 30, 2025	Metal Cutting	Infrastructure	Total
Organic sales growth	3%	3%	3%
Foreign currency exchange effect ⁽²⁾	2	1	1
Business days effect ⁽⁵⁾	—	—	—
Divestiture effect ⁽⁴⁾	—	(3)	(1)
Sales growth	5%	1%	3%

**Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
(CONTINUED)**

Reconciliations of constant currency end market sales (decline) growth to end market sales (decline) growth⁽²⁾ are as follows:

Metal Cutting

Three Months Ended September 30, 2025	General Engineering	Transportation	Aerospace & Defense	Energy
Constant currency end market sales (decline) growth	—%	(1)%	16%	12%
Foreign currency exchange effect ⁽²⁾	2	2	2	3
End market sales growth ⁽³⁾	2%	1%	18%	15%

Infrastructure

Three Months Ended September 30, 2025	Energy	Earthworks	General Engineering	Aerospace & Defense
Constant currency end market sales (decline) growth	(5)%	5%	—%	28%
Foreign currency exchange effect ⁽²⁾	—	1	1	5
Divestiture effect ⁽⁴⁾	(4)	—	(5)	(2)
End market sales (decline) growth ⁽³⁾	(9)%	6%	(4)%	31%

Total

Three Months Ended September 30, 2025	General Engineering	Transportation	Aerospace & Defense	Energy	Earthworks
Constant currency end market sales (decline) growth	—%	(1)%	20%	1%	5%
Foreign currency exchange effect ⁽²⁾	1	2	3	1	1
Divestiture effect ⁽⁴⁾	(1)	—	(1)	(3)	—
End market sales growth (decline) ⁽³⁾	—%	1%	22%	(1)%	6%

**Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
(CONTINUED)**

Reconciliations of constant currency regional sales growth (decline) to reported regional sales growth (decline) ⁽³⁾ are as follows:

	Three Months Ended September 30, 2025		
	Americas	EMEA	Asia Pacific
<i>Metal Cutting</i>			
Constant currency regional sales growth (decline)	6%	1%	(1)%
Foreign currency exchange effect ⁽²⁾	—	5	(1)
Regional sales growth (decline) ⁽⁶⁾	6%	6%	(2)%
<i>Infrastructure</i>			
Constant currency regional sales growth (decline)	7%	(3)%	—%
Foreign currency exchange effect ⁽²⁾	—	5	—
Divestiture effect ⁽⁴⁾	(5)	—	—
Regional sales growth ⁽⁶⁾	2%	2%	—%
<i>Total</i>			
Constant currency regional sales growth (decline)	7%	—%	(1)%
Foreign currency exchange effect ⁽²⁾	—	5	—
Divestiture effect ⁽⁴⁾	(3)	—	—
Regional sales growth (decline) ⁽⁶⁾	4%	5%	(1)%

⁽²⁾ Foreign currency exchange effect is calculated by dividing the difference between current period sales and current period sales at prior period foreign exchange rates by prior period sales.

⁽³⁾ Aggregate sales for all end markets sum to the sales amount presented on Kennametal's financial statements.

⁽⁴⁾ Divestiture effect is calculated by dividing prior period sales attributable to divested businesses by prior period sales.

⁽⁵⁾ Business days effect is calculated by dividing the year-over-year change in weighted average working days (based on mix of sales by country) by prior period weighted average working days.

⁽⁶⁾ Aggregate sales for all regions sum to the sales amount presented on Kennametal's financial statements.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

There have been no material changes to our market risk exposures since June 30, 2025.

ITEM 4. CONTROLS AND PROCEDURES

As of the end of the period covered by this Quarterly Report on Form 10-Q, the Company's management evaluated, with the participation of the Company's Chief Executive Officer and Chief Financial Officer, the effectiveness of the Company's disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)). The Company's disclosure controls were designed to provide a reasonable assurance that information required to be disclosed in reports that we file or submit under the Securities Exchange Act of 1934, as amended (Exchange Act), is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the Securities and Exchange Commission. It should be noted that the design of any system of controls is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions, regardless of how remote. However, the controls have been designed to provide reasonable assurance of achieving the controls' stated goals. Based on that evaluation, the Company's Chief Executive Officer and Chief Financial Officer have concluded that the Company's disclosure controls and procedures are effective to provide reasonable assurance at September 30, 2025 that information required to be disclosed in the reports that we file or submit under the Exchange Act is (i) accumulated and communicated to management, including the Company's Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosure and (ii) recorded, processed, summarized and reported within the time periods specified in the rules and forms of the Securities and Exchange Commission.

There were no changes in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

ITEM 5. OTHER INFORMATION

Rule 10b5-1 Trading Arrangements

In the quarter ended September 30, 2025, none of our directors or officers (as defined in Rule 16a-1(f) of the Exchange Act) adopted, modified or terminated a plan for the purchase or sale of our securities intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or a non-Rule 10b5-1 trading arrangement for the purchase or sale of our securities, within the meaning of Item 408 of Regulation S-K.

PART II. OTHER INFORMATION**ITEM 1. LEGAL PROCEEDINGS**

From time to time, we are party to legal claims and proceedings that arise in the ordinary course of business, which may relate to our operations or assets, including real, tangible or intellectual property assets. Although we currently believe that the amount of ultimate liability, if any, we may face with respect to these actions will not materially affect our financial position, results of operations or liquidity, the ultimate outcome of any litigation is uncertain. Were an unfavorable outcome to occur or if protracted litigation were to ensue, the effect on us could be material. See Notes to Condensed Consolidated Financial Statements for further information.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES, USE OF PROCEEDS, AND ISSUER PURCHASES OF EQUITY SECURITIES**ISSUER PURCHASES OF EQUITY SECURITIES**

Period	Total Number of Shares Purchased ⁽¹⁾	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs ⁽²⁾
July 1 through July 31, 2025	3,448	\$ 23.05	—	\$ 140,000,000
August 1 through August 31, 2025	674,952	21.02	455,000	130,400,000
September 1 through September 30, 2025	22,051	21.45	19,859	130,000,000
Total	700,451	\$ 21.05	474,859	

⁽¹⁾ During the current period, 1,801 shares were purchased on the open market on behalf of Kennametal to fund the Company's dividend reinvestment program. Also, during the current period employees delivered 223,791 shares of restricted stock to Kennametal, upon vesting, to satisfy tax withholding requirements.

⁽²⁾ In February 2024, the Board of Directors of the Company authorized a \$200 million, three-year share repurchase program outside of the Company's dividend reinvestment program.

UNREGISTERED SALES OF EQUITY SECURITIES

None.

ITEM 6. EXHIBITS

31	Rule 13a-14(a)/15d-14(a) Certifications	
31.1	Certification executed by Sanjay Chowbey, President and Chief Executive Officer of Kennametal Inc.	Filed herewith.
31.2	Certification executed by Patrick S. Watson, Vice President and Chief Financial Officer of Kennametal Inc.	Filed herewith.
32	Section 1350 Certifications	
32.1	Certification Pursuant to 18 U.S.C. Section 1350 as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, executed by Sanjay Chowbey, President and Chief Executive Officer of Kennametal Inc., and Patrick S. Watson, Vice President and Chief Financial Officer of Kennametal Inc.	Filed herewith.
101	XBRL	
101.INS ⁽³⁾	XBRL Instance Document	Filed herewith.
101.SCH ⁽⁴⁾	XBRL Taxonomy Extension Schema Document	Filed herewith.
101.CAL ⁽⁴⁾	XBRL Taxonomy Extension Calculation Linkbase Document	Filed herewith.
101.DEF ⁽⁴⁾	XBRL Taxonomy Definition Linkbase	Filed herewith.
101.LAB ⁽⁴⁾	XBRL Taxonomy Extension Label Linkbase Document	Filed herewith.
101.PRE ⁽⁴⁾	XBRL Taxonomy Extension Presentation Linkbase Document	Filed herewith.

(3) The instance document does not appear in the Interactive Data File because its XBRL (Extensible Business Reporting Language) tags are embedded within the Inline XBRL document.

(4) Attached as Exhibit 101 to this report are the following documents formatted in Inline XBRL: (i) the Condensed Consolidated Statements of Income for the three months ended September 30, 2025 and 2024, (ii) the Condensed Consolidated Statements of Comprehensive Income for the three months ended September 30, 2025 and 2024, (iii) the Condensed Consolidated Balance Sheets at September 30, 2025 and June 30, 2025, (iv) the Condensed Consolidated Statements of Cash Flows for the three months ended September 30, 2025 and 2024 and (v) Notes to Condensed Consolidated Financial Statements for the three months ended September 30, 2025 and 2024.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

KENNAMETAL INC.

Date: November 5, 2025

By: /s/ John W. Witt
John W. Witt
Vice President Finance and Corporate Controller

I, Sanjay Chowbey, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Kennametal Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions)
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 5, 2025

/s/ Sanjay Chowbey

Sanjay Chowbey
President and Chief Executive Officer

I, Patrick S. Watson, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Kennametal Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions)
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 5, 2025

/s/ Patrick S. Watson

Patrick S. Watson
Vice President and Chief Financial Officer

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Kennametal Inc. (the "Corporation") on Form 10-Q for the period ended September 30, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each of the undersigned officers of the Corporation certifies, pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to his knowledge:

- 1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- 2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Corporation.

/s/ Sanjay Chowbey

Sanjay Chowbey
President and Chief Executive Officer

November 5, 2025

/s/ Patrick S. Watson

Patrick S. Watson
Vice President and Chief Financial Officer

November 5, 2025

*This certification is made solely for purposes of 18 U.S.C. Section 1350, subject to the knowledge standard contained therein, and not for any other purpose.