



**FY25 First Quarter
Earnings Call Presentation
November 6, 2024**



Safe Harbor Statement

Certain statements in this release may be forward-looking in nature, or “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements are statements that do not relate strictly to historical or current facts. For example, statements about Kennametal’s outlook for sales, adjusted operating income, adjusted EPS, FOCF, primary working capital, capital expenditures and adjusted effective tax rate for the second quarter and full year of fiscal 2025 and our expectations regarding future growth and financial performance are forward-looking statements. Any forward-looking statements are based on current knowledge, expectations and 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 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, 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. Many of these risks and other risks are more fully described in Kennametal’s latest annual report on Form 10-K and its other periodic filings with the Securities and Exchange Commission. We can give no assurance that any goal or plan set forth in forward-looking statements can be achieved and readers are cautioned not to place undue reliance on such statements, which speak only as of the date made. We undertake no obligation to release publicly any revisions to forward-looking statements as a result of future events or developments.

This presentation includes certain non-GAAP financial measures as defined by SEC rules. As required by Regulation G, we have provided a reconciliation of those measures to the most directly comparable GAAP measures, which is available on our website at www.kennametal.com. Once on the homepage, select “Investor Relations” and then “Events.”

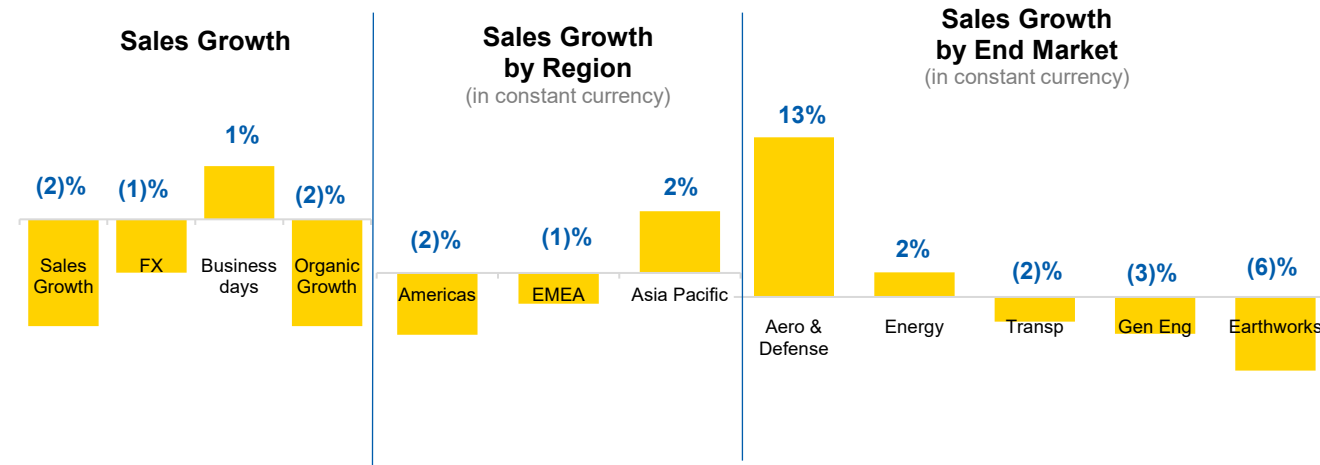
Continued end market pressure; strong cash flow

Earnings per share: Reported \$0.28; Adjusted \$0.29 (vs. \$0.37 reported and \$0.41 adjusted in prior year)

Lower volume
Partially Offset by Strategic Wins

Sales of \$482M, (2)% organic decline year-over-year

- Metal Cutting (4)% and Infrastructure 1%
- **Aero & Defense** – Project timing and strategic wins
- **Energy** – Project timing partially offset by lower US land-based rig count
- **Transportation** – Lower volumes in EMEA and the Americas partially offset by project wins in Asia Pacific
- **General Engineering** – Lower economic activity in EMEA and the Americas, partially offset by Asia Pacific
- **Earthworks** – Lower mining activity in Asia Pacific and the Americas, customer mine consolidation and project order timing



Lower sales & production volume drives margin decline

Adjusted EBITDA of \$69 million at 14.3% margin down 230 bps against prior year

- Lower sales and production volume
 - Higher wages and general inflation
 - Higher manufacturing costs in Infrastructure including temporary plant shutdowns for maintenance and process improvement
- Partially offset by:
- Favorable price/raw material costs
 - Restructuring savings
 - Net insurance recovery benefits

Metal Cutting adjusted operating margin down 300 bps YoY; lower sales and production volume, higher wages and general inflation, foreign exchange partially offset by lower raw material costs, restructuring savings and price

Infrastructure adjusted operating margin down 110 bps YoY; manufacturing inefficiencies due to temporary plant shutdowns, higher wages and general inflation, partially offset by net insurance benefits, price/raw material timing, restructuring savings and higher sales volumes

Returned \$31M to Shareholders

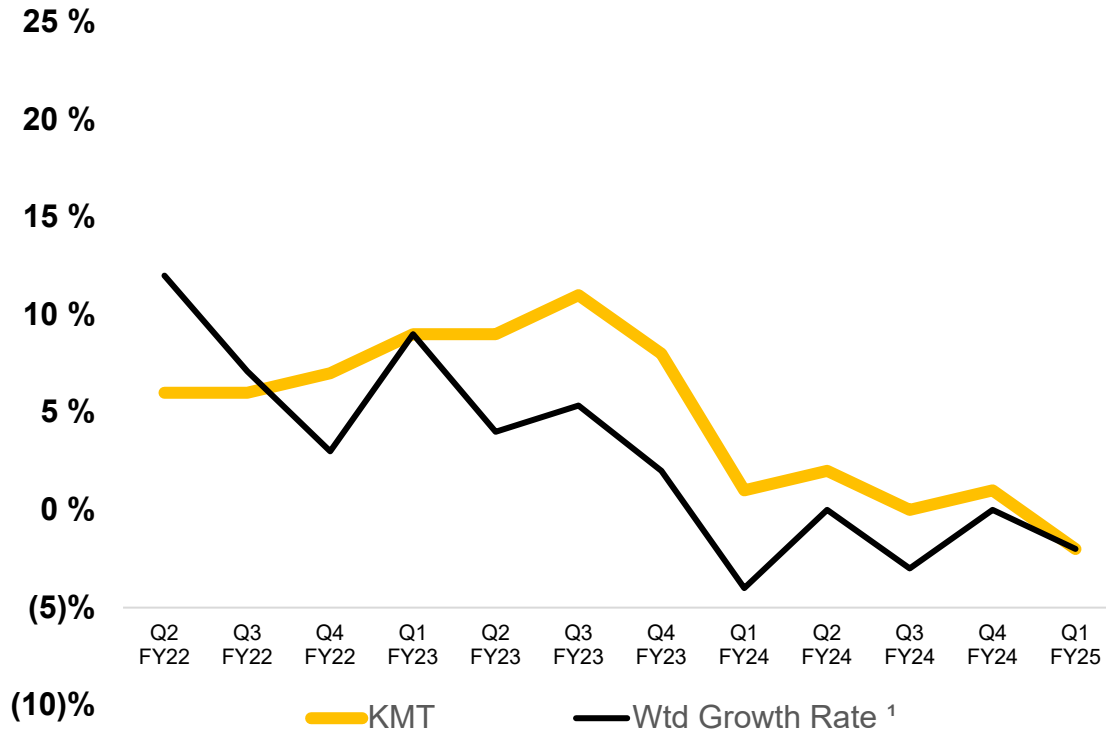
- Cash flow from operations **\$46 million** and free operating cash flow of **\$21 million**

- **\$15 million** share repurchases and **\$16 million** dividends

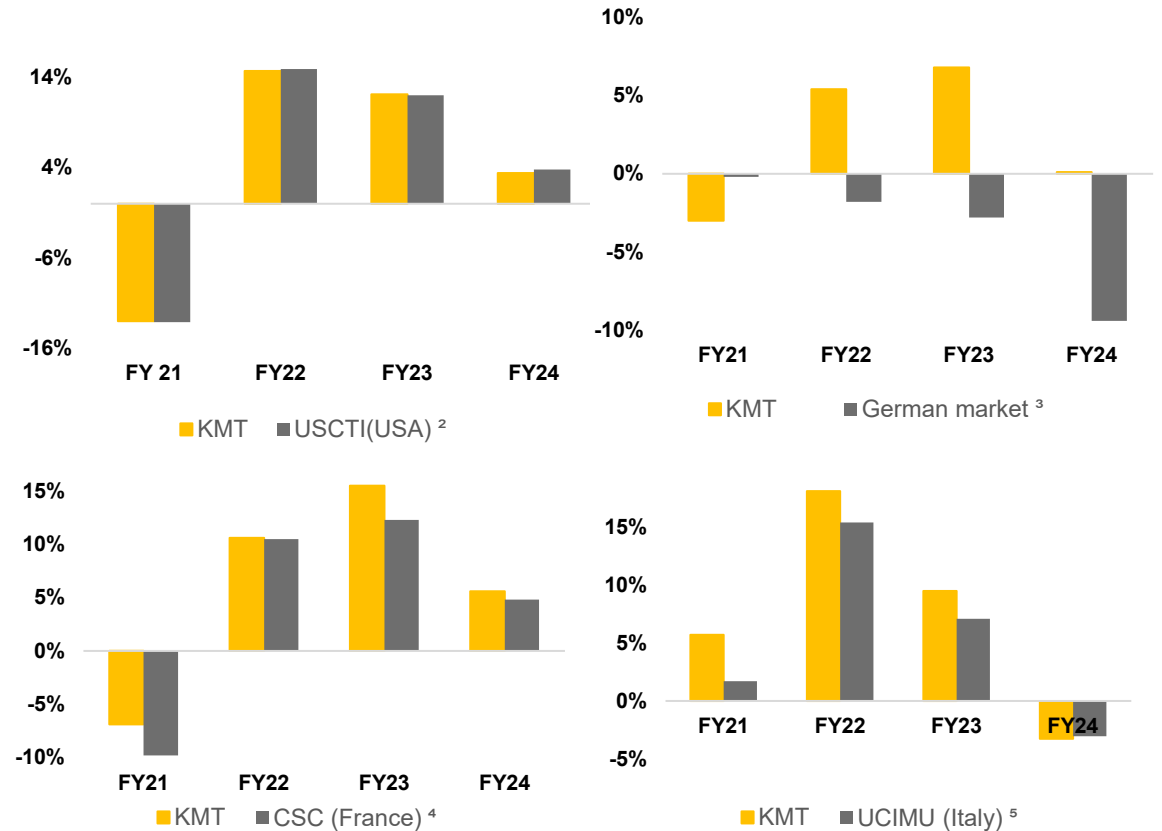
Demonstrating the ability to compete and win

Growth initiatives are progressing; US market reflects project timing

Quarterly Year over Year Sales Growth
(in Constant Currency)



KMT MC Growth Rates versus Industry Growth Rates (Year over Year)



(1) Group represents weighted quarterly results of publicly traded companies, Sandvik and OSG Group, aligned to Kennametal reporting periods; (2) Management estimates based off USCTI, USA trade group; (3) VDMA data; (4) Chambre Syndicale des Carburiers (CSC), French MC trade group; (5) UCIMU, Italian MC trade group, FY24 is management estimate

Maximizing productivity for mining customers with PrimePoint™ picks

PrimePoint™ picks equipped with polycrystalline diamond (PCD) tips are designed to reduce abrasive wear and extend tool life:

- Reinforced tungsten pick **bolsters reliability** in the harshest conditions
- **Consistent cutting** performance that lasts longer
- **Reduced** a customer's **downtime 50%*** for tool inspection and replacement
- **Decreased overall wear** on the cutting system
- Ideal for coal, potash, salt and other soft rock mineral applications



* Customer's longwall mining equipment downtime required to replace worn tools reduced by 50%. Performance improvement might vary by conditions experienced at different customer sites

New high-precision tools for medical and micro machining applications

- Applicable to component features as **small as 0.3mm (0.012")**
- Product suite offers a **complete range** of versatile solutions for medical, aerospace and transportation
- **Ultra sharp cutting edges** for long tool life and superior surface finishes
 - Improved a customer's **tool life by 67%***

Medical Application Examples

- Titanium and Stainless-Steel Pedicle Screws (Spinal Surgery)
- Stainless-Steel Instruments (Surgical and Laboratory)

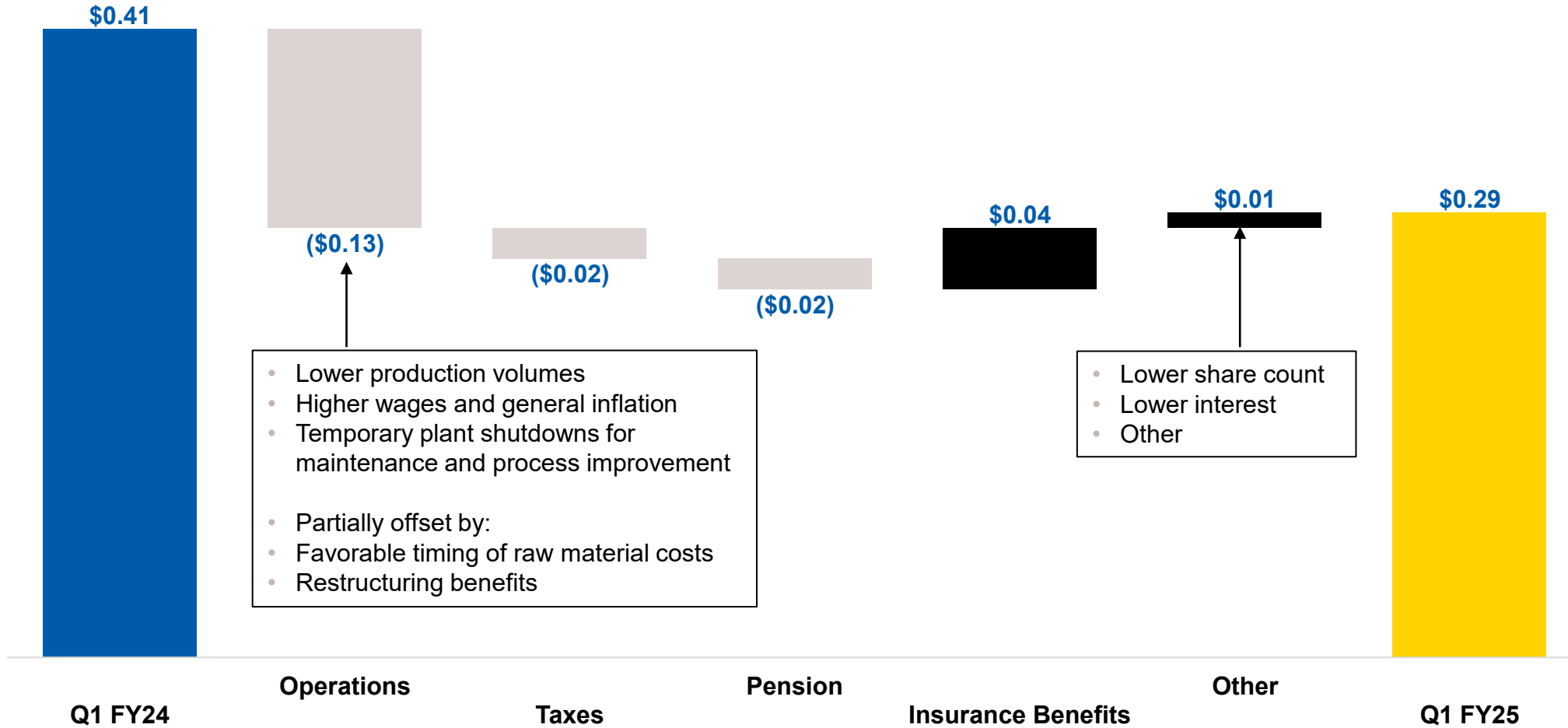
* Using standard product, customer's productivity increased by 67% when a tool made by a competitor was switched out for TopSwiss™ MBS (Micro Boring Solid) tool



Strong cash flow continues despite soft macro environment

Quarter Ended (\$ in millions)	Change from PY	Adjusted		Reported	
		Sept 30, 2024	Sept 30, 2023	Sept 30, 2024	Sept 30, 2023
Sales	(2)%	\$482	\$492	\$482	\$492
Organic		(2)%	0%	(2)%	0%
FX		(1)%	0%	(1)%	0%
Business Days		1%	0%	1%	0%
Gross Profit	(7)%	\$151	\$163	\$151	\$163
% of sales	(180) bps	31.3%	33.1%	31.3%	33.1%
Operating Expense	0%	\$112	\$112	\$112	\$112
% of sales	50 bps	23.2%	22.7%	23.2%	22.7%
EBITDA	(16)%	\$69	\$82	\$68	\$78
% of sales	(230) bps	14.3%	16.6%	14.2%	15.8%
Operating Income	(25)%	\$37	\$49	\$36	\$45
% of sales	(230) bps	7.6%	9.9%	7.5%	9.2%
Effective Tax Rate	410 bps	25.1%	21.0%	25.2%	21.0%
EPS (Earnings per Diluted Share)	(29)%	\$0.29	\$0.41	\$0.28	\$0.37
Year-to-Date					
Net Cash Flow Provided By Operations	78%	\$46	\$26	\$46	\$26
Free Operating Cash Flow (FOCF)	794%	\$21	\$(3)	\$21	\$(3)

Operations adversely impacted by lower production

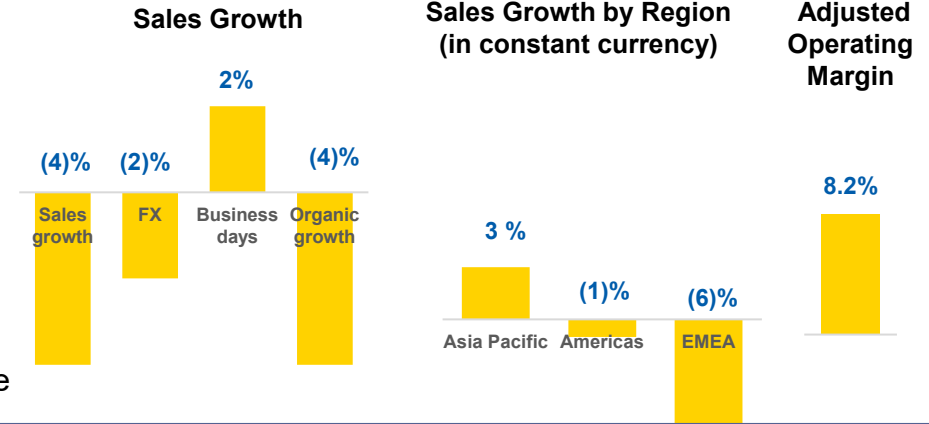


EMEA market conditions pressure sales and margins

Organic sales decline (4)%
Sales of \$297 million

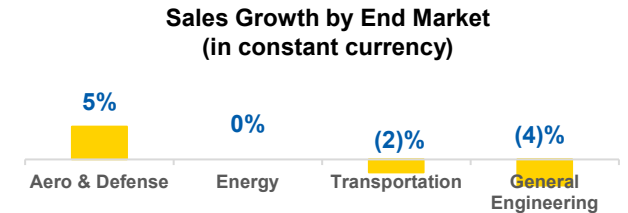
- **Growth in Asia Pacific offsets Americas decline**
 - Asia Pacific driven by Transportation
 - Americas weakness in Transportation and General Engineering partially offset by growth in Aerospace & Defense
 - EMEA weakness in General Engineering and Transportation partially offset by strength in Aerospace & Defense

- **Adjusted operating margin of 8.2% below prior year 300 bps**
 - Margin decline due to lower sales and production volume, higher wages and general inflation, and foreign exchange; partially offset by lower raw material costs, restructuring savings and price



Lower industrial production in EMEA and Americas

- Aerospace & Defense driven by growth initiatives partially offset by OEM production challenges
- Energy flat with strength in EMEA offset by a decline in wind energy in Asia Pacific
- Transportation weakness due to lower volumes and project activity in EMEA and the Americas, partially offset by project wins in Asia Pacific
- General Engineering down due to lower activity in EMEA and project timing in the Americas partially offset by strength in Asia Pacific



Commercial and Operational Excellence
Positioning for growth

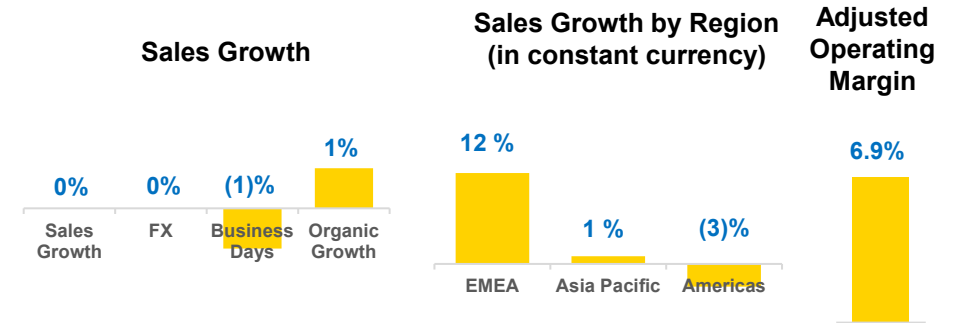
- Strategic initiatives making headway despite market conditions
- Prioritizing operational excellence initiatives
- Continue to focus on customer service levels while optimizing inventory turns
- Innovation driving strong new product growth

Aerospace & Defense projects offset market softness

Organic sales increase 1%
Sales of \$185 million

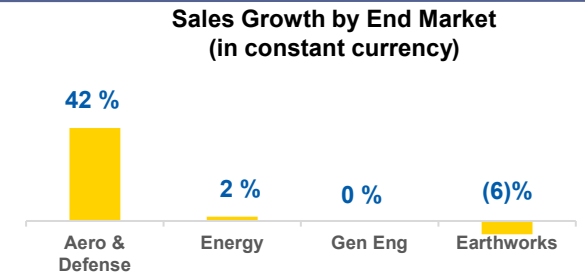
- **Regional Sales**
 - EMEA – growth in Aerospace & Defense and General Engineering
 - Asia Pacific – growth in General Engineering offset by Earthworks
 - Americas – Aerospace & Defense growth offset by declines in Earthworks and General Engineering

- **Adjusted operating margin of 6.9% below prior year 110bps**
 - Manufacturing inefficiencies due to temporary plant shutdowns for maintenance and process improvements, higher wages and general inflation
 - Partially offset by net insurance proceeds of \$4M, price/raw material timing, restructuring savings and higher sales volume



Weakness in Earthworks market conditions

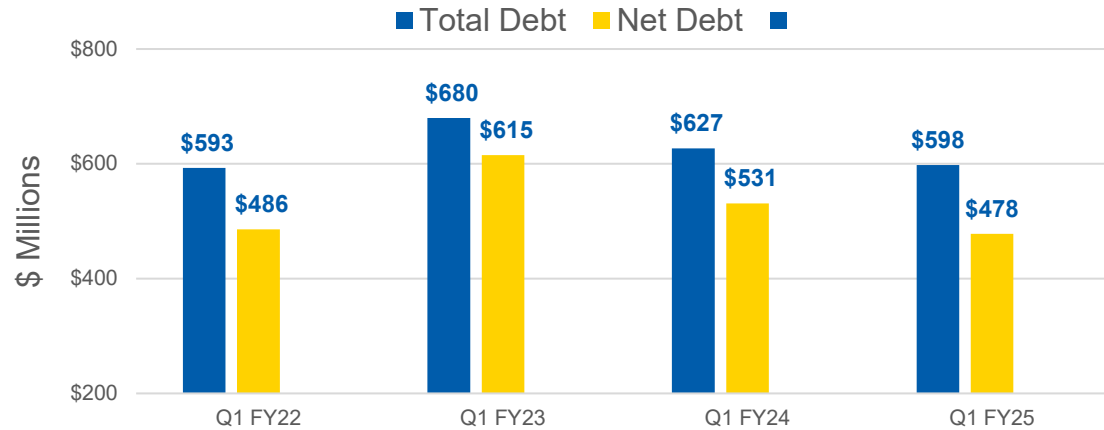
- Aerospace & Defense growth driven by order timing
- Energy growth due to project timing partially offset by lower US Land Based Rig count
- General Engineering flat primarily due to temporary plant shutdowns for maintenance and process improvements in the Americas, offset by strength in EMEA and Asia
- Earthworks decline due to customer mine closure and lower mining activity in the Americas, lower mining activity in Asia Pacific, and project order timing



Commercial and Operational Excellence
Positioning for growth

- Share gains in strategic initiatives partially mitigating impact of market headwinds
- Continue to focus on operational excellence initiatives to reduce costs
- Fostering a culture of accountability to deliver growth, expand operating margins and improve working capital
- Innovation driving strong new product growth

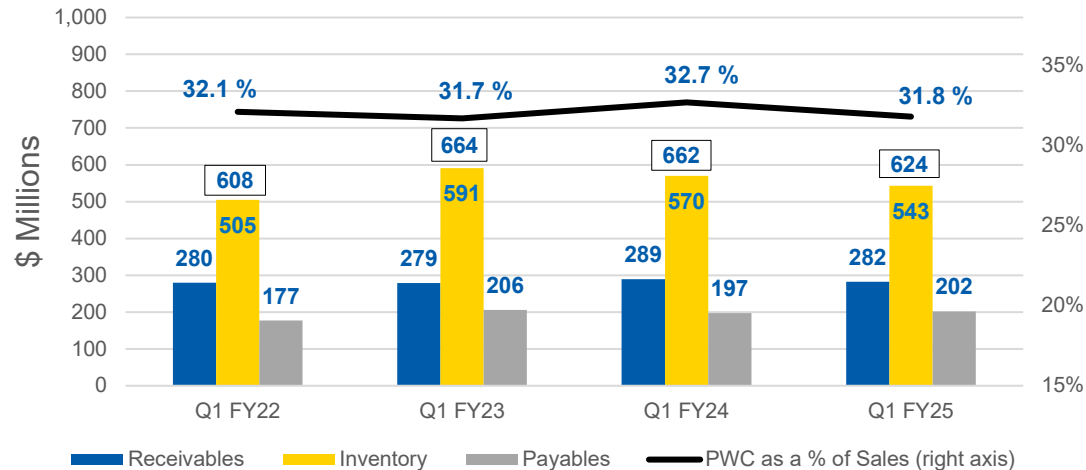
Strong cash flow from operations continues



Share Repurchases & Debt Profile

- Initiated new \$200M 3-year share repurchase program
 - Q1: \$15M purchased; 600K shares
- Debt profile
 - Two \$300M notes mature June 2028 & March 2031
 - \$700M revolver matures June 2027
 - Covenant ratio well within limits

Primary Working Capital



Consolidated Results (\$ in millions)	Q1 FY25	Q1 FY24
Net Cash from Operating Activities	\$46	\$26
Capital Expenditures, Net	\$(25)	\$(29)
Free Operating Cash Flow (FOCF)	\$21	\$(3)
Dividends	\$(16)	\$(16)

Q2 FY25 Outlook

FY25 SECOND QUARTER OUTLOOK

	Sales \$480 - \$500M	
~ (5)% - (1)% Volume growth	~ 2% Price realization	Neutral Foreign exchange
Adjusted Effective Tax Rate ~27.5%	Interest Expense ~\$7M	Adjusted EPS \$0.20 - \$0.30

OUTLOOK CONSIDERS THE FOLLOWING ASSUMPTIONS

- Inflationary environment continues to moderate
- Year over Year sales growth reflects:

Transportation: Decline	Energy: Flat	Aerospace & Defense: Moderate growth
General Engineering: Slight Decline	Earthworks: Flat	
- Pricing to cover raw material, wage and general cost increases on a dollar basis.
- Pension (non-cash) headwind of ~\$1M compared to Q2 FY24

FY25 Outlook

FY25 TOTAL YEAR OUTLOOK

Sales
\$2.0- \$2.1B

~(3) – 2%
Volume growth

~2%
Price realization

~(1)%
Foreign exchange

Interest Expense
~\$27M

Adjusted Effective Tax Rate
~27.5%

Adjusted EPS
\$1.30- \$1.70

Depreciation & Amortization
~\$135M

Capital Spending
~\$110M

Primary Working Capital (% of sales)
~30%
by fiscal year end

Free Operating Cash Flow (FOCF)
>125%
of adjusted net income

Share Repurchase
Offset dilution
from compensation programs, at a minimum

OUTLOOK CONSIDERS THE FOLLOWING ASSUMPTIONS

- Inflationary environment continues to moderate

- Revenue Assumptions Year over Year

Transportation:
Slight growth

Gen Engineering:
Flat

Aerospace & Defense:
Moderate growth

Energy:
Slight Decline

Earthworks:
Decline

- Pricing to cover raw material, wage and general cost increases, on a dollar basis. Tungsten prices expected to be flat

- Pension (non-cash) headwind of ~\$4M compared to FY24
Foreign exchange headwind of ~\$4M compared to FY24

- Restructuring savings of ~\$14M included mainly in first half

A compelling investment opportunity driven by value creation

Three Value Creation Pillars

DELIVERING GROWTH

Growing Above Market

- Innovative solutions
- Best in class customer service
- Applications support
- Material science expertise
- Commercial Excellence

CONTINUOUS IMPROVEMENT

Doing Things Better

- Operational Excellence
- Enterprise-wide Lean
- Business system & tools

PORTFOLIO OPTIMIZATION

Right Products, Right Places

- Optimize product & business portfolio
- Inorganic growth
- Sustain investment-grade rating

Sustainable Competitive Advantages

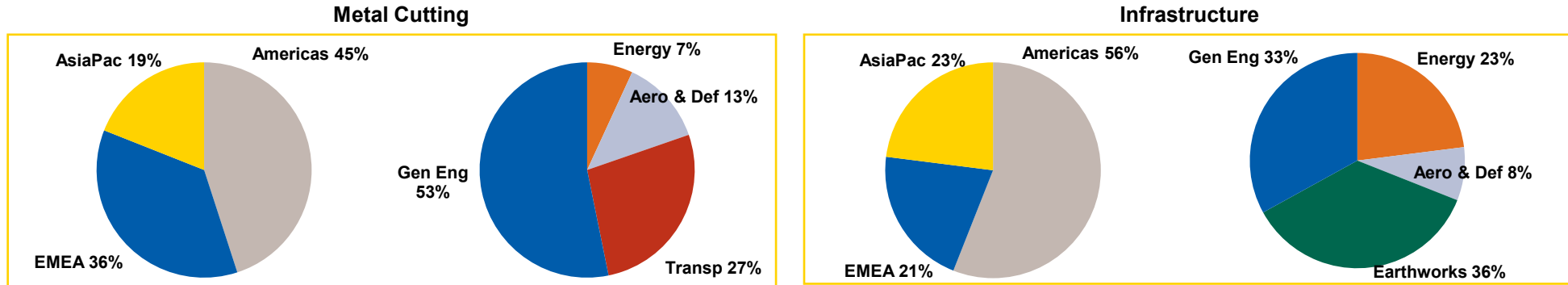
Above Market Growth

Margin Expansion & Strong Cash Flow

Balanced Capital Allocation

Appendix

Sales decline due to weak market conditions



Quarter Ending Sept 30, 2024

(\$ in millions)

	% of KMT total	Metal Cutting	Infrastructure	Total
Sales		\$297	\$185	\$482
Organic		(4)%	1%	(2)%
FX		(2)%	0%	(1)%
Business Days		2%	(1)%	1%
Constant Currency Regional Growth:				
Americas	49%	(1)%	(3)%	(2)%
EMEA	30%	(6)%	12%	(1)%
AsiaPac	21%	3%	1%	2%
Constant Currency End Market Growth:				
General Engineering	46%	(4)%	0%	(3)%
Energy	13%	0%	2%	2%
Transportation	16%	(2)%	N/A	(2)%
Earthworks	14%	N/A	(6)%	(6)%
Aerospace & Defense	11%	5%	42%	13%
Adjusted Operating Income		\$24	\$13	\$37
Adjusted Operating Margin		8.2%	6.9%	7.6%

Strong balance sheet

ASSETS (\$ in millions)	September 30, 2024	June 30, 2024
Cash and cash equivalents	\$120	\$128
Accounts receivable, net	282	303
Inventories	543	515
Other current assets	58	57
Total current assets	1,004	1,003
Property, plant and equipment, net	942	938
Goodwill and other intangible assets, net	357	353
Other assets	219	210
Total assets	\$2,522	\$2,504
LIABILITIES (\$ in millions)		
Revolving and other lines of credit and notes payable	\$1	\$1
Accounts payable	202	192
Other current liabilities	195	223
Total current liabilities	398	416
Long-term debt	596	596
Other liabilities	209	203
Total liabilities	1,204	1,215
Kennametal Shareowners' Equity	1,277	1,250
Noncontrolling interest	41	39
Total liabilities and equity	\$2,522	\$2,504

Non-GAAP Reconciliations

The information presented by the Company contains certain non-GAAP financial measures. Kennametal management believes that presentation of these non-GAAP financial measures provides useful information about the results of operations of the Company for the current, past and future periods. Management believes that investors should have available the same information that management uses to assess operational performance, determine compensation and assess the capital structure of the Company. These Non-GAAP financial measures should not be considered in isolation or as a substitute for the most comparable GAAP measures. Investors are cautioned that non-GAAP financial measures utilized by the Company may not be comparable to non-GAAP financial measures used by other companies.

Accordingly, we have compiled below certain definitions and reconciliations as required by Regulation G. Reconciliations to the most directly comparable GAAP financial measures for the following forward-looking non-GAAP financial measures for the full fiscal year of 2024 have not been provided, including but not limited to: FOCF, adjusted operating income, adjusted net income, adjusted EPS, adjusted ETR and primary working capital. The most comparable GAAP financial measures are net cash flow from operating activities, operating income, net income attributable to Kennametal, ETR and working capital (defined as current assets less current liabilities), respectively. Primary working capital is defined as accounts receivable, net plus inventories, net minus accounts payable. Because the non-GAAP financial measures on a forward-looking basis are subject to uncertainty and variability as they are dependent on many factors - including, but not limited to, the effect of foreign currency exchange fluctuations, impacts from potential acquisitions or divestitures, gains or losses on the potential sale of businesses or other assets, restructuring costs, asset impairment charges, gains or losses from early extinguishment of debt, the tax impact of the items above and the impact of tax law changes or other tax matters - reconciliations to the most directly comparable forward-looking GAAP financial measures are not available without unreasonable effort.

Adjusted Gross Profit and Margin, Adjusted Operating Expense, Adjusted Operating Expense as a Percentage of Sales, Adjusted Operating Income and Margin, Adjusted ETR, Adjusted Net Income Attributable to Kennametal and Adjusted EPS

The following GAAP financial measures have been presented on an adjusted basis: gross profit and margin, operating expense, operating expense as a percentage of adjusted sales, operating income and margin, ETR, net income and EPS. Detail of these adjustments is included in the reconciliations following these definitions. Management adjusts for these items in measuring and compensating internal performance to more readily compare the Company's financial performance period-to-period.

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 impacts of acquisitions⁽¹⁾, divestitures⁽²⁾, business days⁽³⁾ and foreign currency exchange⁽⁴⁾ from year-over-year comparisons. Management believes 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 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 impacts of acquisitions⁽¹⁾, divestitures⁽²⁾ and foreign currency exchange⁽⁴⁾ from year-over-year comparisons. We note that, unlike organic sales growth (decline), constant currency regional sales growth (decline) does not exclude the impact 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.

Non-GAAP Reconciliations (cont'd)

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 impacts of acquisitions⁽¹⁾, divestitures⁽²⁾ and foreign currency exchange⁽⁴⁾ from year-over-year comparisons. We note that, unlike organic sales growth (decline), constant currency end market sales growth (decline) does not exclude the impact 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.

EBITDA

EBITDA is a non-GAAP financial measure and is defined as net income attributable to Kennametal (which is the most directly comparable GAAP measure), with interest expense, interest income, provision for income taxes, depreciation and amortization added back. Management believes that EBITDA is widely used as a measure of operating performance and is an important indicator of the Company's operational strength and performance. Nevertheless, the measure should not be considered in isolation or as a substitute for operating income, cash flows from operating activities or any other measure for determining liquidity that is calculated in accordance with GAAP. Additionally, Kennametal will present EBITDA on an adjusted basis. Management uses this information in reviewing operating performance.

Free Operating Cash Flow

FOCF is a non-GAAP financial measure and is defined by the Company as cash provided by operations (which is the most directly comparable GAAP measure) less capital expenditures, plus proceeds from disposals of fixed assets. Management considers FOCF to be an important indicator of the Company's cash generating capability because it better represents cash generated from operations that can be used for dividends, debt repayment, strategic initiatives, and other investing and financing activities.

Net Debt

Net debt is a non-GAAP financial measure and is defined by the Company as total debt less cash and cash equivalents. The most directly comparable GAAP financial measure is total debt. Management believes that net debt aids in the evaluation of the Company's financial condition.

Primary Working Capital

Primary working capital is a non-GAAP financial measure and is defined as accounts receivable, net plus inventories, net minus accounts payable. The most directly comparable GAAP measure is working capital, which is defined as current assets less current liabilities. We believe primary working capital better represents Kennametal's performance in managing certain assets and liabilities controllable at the segment level and is used as such for internal performance measurement.

Adjusted Return on Invested Capital

Adjusted ROIC is a non-GAAP financial measure and is defined by the Company as the previous twelve months' net income, adjusted for interest expense, non-controlling interest and special items, divided by the sum of the previous 5 quarters' average balances of debt and total equity. The most directly comparable GAAP measure is return on invested capital calculated utilizing GAAP net income. Management believes that adjusted ROIC provides additional insight into the underlying capital structure and performance of the Company.

(1) Acquisition impact is calculated by dividing current period sales attributable to acquired businesses by prior period sales.

(2) Divestiture impact is calculated by dividing prior period sales attributable to divested businesses by prior period sales.

(3) Business days impact 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.

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

Adjusted Results - Q1

(\$ in millions, except percents and per share data)	Sales	Gross Profit	Operating Expense	Operating Income	Net Income ⁽⁵⁾	Diluted EPS	Effective Tax Rate
Q1 FY25 Reported Results	\$ 481.9	\$ 151.0	\$ 111.7	\$ 36.0	\$ 22.1	\$ 0.28	25.2 %
Reported Margins		31.3 %	23.2 %	7.5 %			
Restructuring and related charges	—	—	—	0.6	0.5	0.01	22.2
Differences in projected annual tax rates	—	—	—	—	—	—	(22.3)
Q1 FY25 Adjusted Results	\$ 481.9	\$ 151.0	\$ 111.6	\$ 36.7	\$ 22.6	\$ 0.29	25.1 %
Q1 FY25 Adjusted Margins		31.3 %	23.2 %	7.6 %			

⁽⁵⁾ Attributable to Kennametal Shareholders.

(\$ in millions, except percents and per share data)	Sales	Gross Profit	Operating Expense	Operating Income	Net Income(5)	Diluted EPS	Effective Tax Rate
Q1 FY24 Reported Results	\$ 492.5	\$ 162.9	\$ 111.6	\$ 45.1	\$ 30.1	\$ 0.37	21.0 %
Reported Margins		33.1 %	22.7 %	9.2 %			
Restructuring and related charges	—	—	—	3.7	3.4	0.04	9.5
Differences in projected annual tax rates	—	—	—	—	(0.4)	—	(9.5)
Q1 FY24 Adjusted Results	\$ 492.5	\$ 162.9	\$ 111.6	\$ 48.8	\$ 33.0	\$ 0.41	21.0 %
Q1 FY24 Adjusted Margins		33.1 %	22.7 %	9.9 %			

Adjusted EBITDA and EBITDA Margin

(\$ in millions, except percents)	Three Months Ended September 30,	
	2024	2023
Net income attributable to Kennametal, reported	\$ 22.1	\$ 30.1
Add back:		
Interest expense	6.3	6.6
Interest income	(1.5)	(0.3)
Provision for income taxes	7.9	8.1
Depreciation	30.8	30.5
Amortization	2.7	3.0
EBITDA	\$ 68.4	\$ 78.0
Margin	14.2 %	15.8 %
Adjustments:		
Restructuring and related charges	0.6	3.7
Adjusted EBITDA	\$ 69.0	\$ 81.7
Adjusted Margin	14.3 %	16.6 %

Adjusted Segment Operating Income and Margins

(\$ in millions, except percents)	Metal Cutting Sales	Metal Cutting Operating Income	Infrastructure Sales	Infrastructure Operating Income
Q1 FY25 Reported Results	\$ 296.9	\$ 23.8	\$ 185.0	\$ 12.7
Reported Operating Margin		8.0 %		6.9 %
Restructuring and related charges	—	0.6	—	—
Q1 FY25 Adjusted Results	\$ 296.9	\$ 24.5	\$ 185.0	\$ 12.7
Q1 FY25 Adjusted Operating Margin		8.2 %		6.9 %

(\$ in millions, except percents)	Metal Cutting Sales	Metal Cutting Operating Income	Infrastructure Sales	Infrastructure Operating Income
Q1 FY24 Reported Results	\$ 308.2	\$ 32.1	\$ 184.2	\$ 13.6
Reported Operating Margin		10.4 %		7.4 %
Restructuring and related charges	—	2.5	—	1.2
Q1 FY24 Adjusted Results	\$ 308.2	\$ 34.7	\$ 184.2	\$ 14.8
Q1 FY24 Adjusted Operating Margin		11.2 %		8.0 %

Organic Sales Growth (Decline)

Three Months Ended September 30, 2024	Metal Cutting	Infrastructure	Kennametal
Organic sales (decline) growth	(4)%	1 %	(2)%
Foreign currency exchange effect	(2)	—	(1)
Business days effect	2	(1)	1
Sales decline	(4)%	— %	(2)%

Three Months Ended September 30, 2023	Metal Cutting	Infrastructure	Kennametal
Organic sales growth (decline)	2 %	(3)%	— %
Foreign currency exchange effect	1	(1)	—
Business days effect	—	(1)	—
Sales growth (decline)	3 %	(5)%	— %

Constant Currency Regional Sales Growth (Decline) – Q1 FY25

Metal Cutting			
Three Months Ended September 30, 2024			
	Americas	EMEA	Asia Pacific
Constant currency regional sales (decline) growth	(1)%	(6)%	3 %
Foreign currency exchange effect	(3)	—	(1)
Regional sales (decline) growth	(4)%	(6)%	2 %

Infrastructure			
Three Months Ended September 30, 2024			
	Americas	EMEA	Asia Pacific
Constant currency regional sales (decline) growth	(3)%	12 %	1 %
Foreign currency exchange effect	(1)	1	—
Regional sales (decline) growth	(4)%	13 %	1 %

Kennametal			
Three Months Ended September 30, 2024			
	Americas	EMEA	Asia Pacific
Constant currency regional sales (decline) growth	(2)%	(1)%	2 %
Foreign currency exchange effect	(2)	(1)	(1)
Regional sales (decline) growth	(4)%	(2)%	1 %

Constant Currency Regional Sales Growth (Decline) – Q1 FY24

Metal Cutting			
Three Months Ended September 30, 2023			
	Americas	EMEA	Asia Pacific
Constant currency regional sales growth (decline)	3 %	8 %	(13)%
Foreign currency exchange effect	1	6	(3)
Regional sales growth (decline)	4 %	14 %	(16)%

Infrastructure			
Three Months Ended September 30, 2023			
	Americas	EMEA	Asia Pacific
Constant currency regional sales (decline) growth	(10)%	11 %	— %
Foreign currency exchange effect	—	1	(5)
Regional sales (decline) growth	(10)%	12 %	(5)%

Kennametal			
Three Months Ended September 30, 2023			
	Americas	EMEA	Asia Pacific
Constant currency regional sales (decline) growth	(3)%	8 %	(8)%
Foreign currency exchange effect	—	5	(4)
Regional sales (decline) growth	(3)%	13 %	(12)%

Constant Currency End Market Sales Growth (Decline) – Q1 FY25

Metal Cutting

Three Months Ended September 30, 2024	General Engineering	Transportation	Aerospace & Defense	Energy
Constant currency end market sales (decline) growth	(4) %	(2) %	5 %	— %
Foreign currency exchange effect	(2)	(2)	(1)	(1)
End market sales (decline) growth	(6) %	(4) %	4 %	(1) %

Infrastructure

Three Months Ended September 30, 2024	Energy	Earthworks	General Engineering	Aerospace & Defense
Constant currency end market sales growth (decline)	2 %	(6) %	— %	42 %
Foreign currency exchange effect	—	—	(1)	—
End market sales growth (decline)	2 %	(6) %	(1) %	42 %

Kennametal

Three Months Ended September 30, 2024	Energy	Earthworks	General Engineering	Transportation	Aerospace & Defense
Constant currency end market sales growth (decline)	2 %	(6) %	(3) %	(2) %	13 %
Foreign currency exchange effect	(1)	—	(1)	(2)	—
End market sales growth (decline)	1 %	(6) %	(4) %	(4) %	13 %

Constant Currency End Market Sales Growth (Decline) – Q1 FY24

Metal Cutting

Three Months Ended September 30, 2023	General Engineering	Transportation	Aerospace & Defense	Energy
Constant currency end market sales growth (decline)	1 %	(1)%	7 %	(3)%
Foreign currency exchange effect	2	2	2	1
End market sales growth (decline)	3 %	1 %	9 %	(2)%

Infrastructure

Three Months Ended September 30, 2023	Energy	Earthworks	General Engineering	Aerospace & Defense
Constant currency end market sales (decline) growth	(17)%	— %	(8)%	67 %
Foreign currency exchange effect	1	(3)	—	6
End market sales (decline) growth	(16)%	(3)%	(8)%	73 %

Kennametal

Three Months Ended September 30, 2023	Energy	Earthworks	General Engineering	Transportation	Aerospace & Defense
Constant currency end market sales growth (decline)	12 %	— %	(1)%	(1)%	17 %
Foreign currency exchange effect	—	(2)	1	2	2
End market sales growth (decline)	12 %	(2)%	— %	1 %	19 %

Net Debt and Free Operating Cash Flow

Net Debt (in millions)	Three Months Ended			
	9/30/2024	9/30/2023	9/30/2022	9/30/2021
Total debt (gross)	\$ 597.6	\$ 626.6	\$ 679.8	\$ 592.9
Less: cash and cash equivalents	119.6	95.1	64.6	107.3
Net debt	\$ 478.0	\$ 531.5	\$ 615.2	\$ 485.6

(in millions)	Three Months Ended March 31,	
	2024	2023
Net cash flow provided by operating activities	\$ 45.7	\$ 25.7
Purchases of property, plant and equipment	(24.7)	(31.8)
Proceeds from disposals of property, plant and equipment	0.1	3.0
Free operating cash flow	\$ 21.1	\$ (3.0)

Primary Working Capital – Q1 FY25

(in thousands, except percents)	9/30/2024	6/30/2024	3/31/2024	12/31/2023	9/30/2023	Average
Current assets	\$ 1,003,869	\$ 1,002,592	\$ 999,937	\$ 1,009,820	\$ 1,010,555	
Current liabilities	398,386	415,961	413,245	414,108	419,846	
Working capital, GAAP	\$ 605,483	\$ 586,631	\$ 586,692	\$ 595,712	\$ 590,709	
Excluding items:						
Cash and cash equivalents	(119,588)	(127,971)	(92,119)	(90,735)	(95,098)	
Other current assets	(58,390)	(57,179)	(56,708)	(57,753)	(56,457)	
Total excluded current assets	(177,978)	(185,150)	(148,827)	(148,488)	(151,555)	
Adjusted current assets	825,891	817,442	851,110	861,332	859,000	
Revolving and other lines of credit and notes payable	(1,426)	(1,377)	(12,302)	(23,315)	(31,179)	
Other current liabilities	(195,052)	(223,043)	(208,174)	(197,791)	(191,298)	
Total excluded current liabilities	(196,478)	(224,420)	(220,476)	(221,106)	(222,477)	
Adjusted current liabilities	201,908	191,541	192,769	193,002	197,369	
Primary working capital	\$ 623,983	\$ 625,901	\$ 658,341	\$ 668,330	\$ 661,631	\$ 647,637
	Three Months Ended					
	9/30/2024	6/30/2024	3/31/2024	12/31/2023	Total	
Sales	\$ 481,948	\$ 543,308	\$ 515,794	\$ 495,320	\$ 2,036,370	
Primary working capital as a percentage of sales						31.8 %

Primary Working Capital – Q1 FY24

(in thousands, except percents)	9/30/2023	6/30/2023	3/31/2023	12/31/2022	9/30/2022	Average
Current assets	\$ 1,010,555	\$ 1,026,789	\$ 1,079,035	\$ 1,048,303	\$ 1,011,486	
Current liabilities	419,846	433,975	488,729	494,334	497,488	
Working capital, GAAP	\$ 590,709	\$ 592,814	\$ 590,306	\$ 553,969	\$ 513,998	
Excluding items:						
Cash and cash equivalents	(95,098)	(106,021)	(93,474)	(76,784)	(64,568)	
Other current assets	(56,457)	(55,825)	(76,607)	(74,723)	(76,732)	
Total excluded current assets	(151,555)	(161,846)	(170,081)	(151,507)	(141,300)	
Adjusted current assets	859,000	864,943	908,954	896,796	870,186	
Revolving and other lines of credit and notes payable	(31,179)	(689)	(64,055)	(78,805)	(85,239)	
Other current liabilities	(191,298)	(229,945)	(227,516)	(208,807)	(206,309)	
Total excluded current liabilities	(222,477)	(230,634)	(291,571)	(287,612)	(291,548)	
Adjusted current liabilities	197,369	203,341	197,158	206,722	205,940	
Primary working capital	\$ 661,631	\$ 661,602	\$ 711,796	\$ 690,074	\$ 664,246	\$ 677,870
	Three Months Ended					
		9/30/2023	6/30/2023	3/31/2023	12/31/2022	Total
Sales		\$ 492,476	\$ 550,234	\$ 536,036	\$ 497,121	\$ 2,075,867
Primary working capital as a percentage of sales						32.7 %

Primary Working Capital – Q1 FY23

(in thousands, except percents)	9/30/2022	6/30/2022	3/31/2022	12/31/2021	9/30/2021	Average
Current assets	\$ 1,011,486	\$ 1,024,708	\$ 1,043,241	\$ 984,201	\$ 966,948	
Current liabilities	497,488	485,610	460,365	410,983	389,223	
Working capital, GAAP	\$ 513,998	\$ 539,098	\$ 582,876	\$ 573,218	\$ 577,725	
Excluding items:						
Cash and cash equivalents	(64,568)	(85,586)	(99,982)	(101,799)	(107,316)	
Other current assets	(76,732)	(72,940)	(69,582)	(76,794)	(74,906)	
Total excluded current assets	(141,300)	(158,526)	(169,564)	(178,593)	(182,222)	
Adjusted current assets	870,186	866,182	873,677	805,608	784,726	
Revolving and other lines of credit and notes payable	(85,239)	(21,186)	(28,736)	(12,228)	(368)	
Other current liabilities	(206,309)	(236,537)	(233,942)	(212,898)	(211,778)	
Total excluded current liabilities	(291,548)	(257,723)	(262,678)	(225,126)	(212,146)	
Adjusted current liabilities	205,940	227,887	197,687	185,857	177,077	
Primary working capital	\$ 664,246	\$ 638,295	\$ 675,990	\$ 619,751	\$ 607,649	\$ 641,186
	Three Months Ended					
	9/30/2022	6/30/2022	3/31/2022	12/31/2021	Total	
Sales	\$ 494,792	\$ 530,016	\$ 512,259	\$ 486,673	\$ 2,023,740	
Primary working capital as a percentage of sales						31.7 %

Primary Working Capital – Q1 FY22

(in thousands, except percents)	9/30/2021	6/30/2021	3/31/2021	12/31/2020	9/30/2020	Average
Current assets	\$ 966,948	\$ 1,004,807	\$ 966,916	\$ 948,686	\$ 935,721	
Current liabilities	389,223	437,394	425,553	402,641	415,573	
Working capital, GAAP	\$ 577,725	\$ 567,413	\$ 541,363	\$ 546,045	\$ 520,148	
Excluding items:						
Cash and cash equivalents	(107,316)	(154,047)	(114,307)	(103,188)	(98,290)	
Other current assets	(74,906)	(71,470)	(73,235)	(73,123)	(78,700)	
Total excluded current assets	(182,222)	(225,517)	(187,542)	(176,311)	(176,990)	
Adjusted current assets	784,726	779,290	779,374	772,375	758,731	
Revolving and other lines of credit and notes payable	(368)	(8,365)	(18,745)	(34,979)	(46,458)	
Other current liabilities	(211,778)	(251,370)	(242,327)	(233,509)	(233,039)	
Total excluded current liabilities	(212,146)	(259,735)	(261,072)	(268,488)	(279,497)	
Adjusted current liabilities	177,077	177,659	164,481	134,153	136,076	
Primary working capital	\$ 607,649	\$ 601,631	\$ 614,893	\$ 638,222	\$ 622,655	\$ 617,010
	Three Months Ended					
	9/30/2021	6/30/2021	3/31/2021	12/31/2020	Total	
Sales	\$ 483,509	\$ 515,971	\$ 484,658	\$ 440,507	\$ 1,924,645	
Primary working capital as a percentage of sales						32.1 %