



Transforming How Everyday Life is Built

Kennametal Investor Day 2023

September 8, 2023



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 full years of fiscal 2024 through 2027 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 adverse effects of the COVID-19 pandemic and its impacts on our business operations, financial results and financial position and on the industries in which we operate and the global economy generally; 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 conflict in Ukraine; 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.”

Today's Agenda

- 09:30 >> **OPENING STATEMENTS**
- 09:35 >> **KENNAMETAL'S STRATEGY**
Christopher Rossi, President & CEO
- 10:00 >> **GROWTH WITHIN METAL CUTTING**
Sanjay Chowbey, VP & President, Metal Cutting
- 10:20 >> **GROWTH WITHIN INFRASTRUCTURE**
Franklin Cardenas, VP & President, Infrastructure
- 10:40 >> **BREAK AND INNOVATION SHOWCASE**
- 10:55 >> **TECHNOLOGY & INNOVATION ADVANTAGE**
Dr. Carlonda Reilly, VP & CTO
- 11:15 >> **FINANCIAL STRATEGY & TARGETS**
Patrick Watson, VP & CFO
- 11:35 >> **Q&A**
- 12:25 >> **CLOSING STATEMENTS**

Strategic Overview

Christopher Rossi

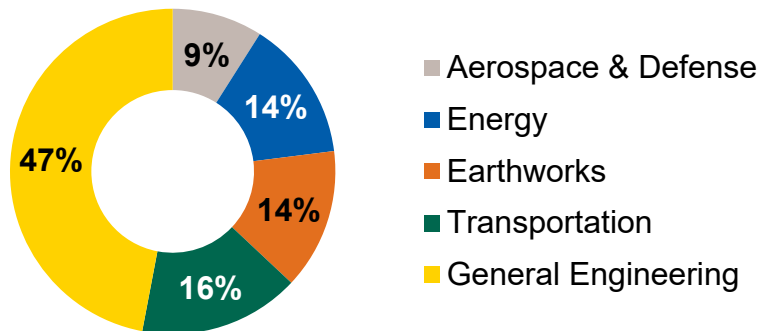
President & CEO



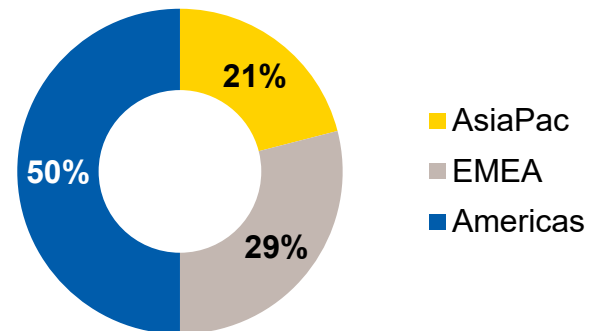
Unrivaled expertise in tool and wear-resistant solutions across diversified end markets

Leading supplier to industries with a diverse and global sales network across Metal Cutting and Infrastructure segments

SERVING 50,000+ CUSTOMERS ACROSS DIVERSIFIED END MARKETS



THROUGH A GLOBAL PRESENCE SERVING ~100 COUNTRIES



>85

Years of Engineering Expertise

\$2.08B

Annual Sales*

~8,700

Employees*

~40

Global Manufacturing Sites

Complementary segments enhance competitive advantages

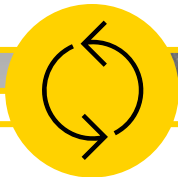


■ General Engineering ■ Aerospace & Defense ■ Energy ■ Transportation ■ Earthworks

Simplification/Modernization initiatives enable accelerated growth

Simplification

- ✓ Streamline structure to enable culture of accountability
- ✓ Improve sales effectiveness and ROI
- ✓ Reduce product complexity; SKUs, coatings and powders



Modernization

- ✓ Invest in latest production and automation technology
- ✓ Capacity Optimization 1.0
- ✓ Improve customer service and quality
- ✓ Enable new product innovations

Strengthening
strategic pillars

Culture of
accountability
and **continuous**
improvement

Gaining
share across end
markets

ACCELERATION

Expanding into
underserved
markets

Capacity
Optimization 2.0
strengthening
production

Operational
Excellence
improving
efficiency

Strategic pillars enable our enterprise strategy

Innovation Advantage

Materials expertise drives development of profitable, in-demand solutions

Manufacturing capabilities enabling higher value-added innovations

Commercial Excellence

Greater accountability to drive profitable growth, share gain

More consistent quality and improved customer service

Operational Excellence

Lean manufacturing, Smart Factories and capacity optimization to drive performance

Advanced process technologies to enable new product innovations

Simplification / Modernization in Action

~\$200M

In structural cost savings

~20%

Reduction in global workforce

6

Fewer plants from Capacity Optimization 1.0

Combination

of Industrial and Widia to drive efficiency and market penetration

Simplification/Modernization accelerates Operational Excellence initiatives

Operational Excellence

Customer service improvements

Process optimization

Automation & technology

Headcount efficiency

Results at Orwell Factory

More consistent quality and delivery performance

More efficient operation

New proprietary and differentiated product features enabled

Scalable and efficient production

Further Efficiency Ahead

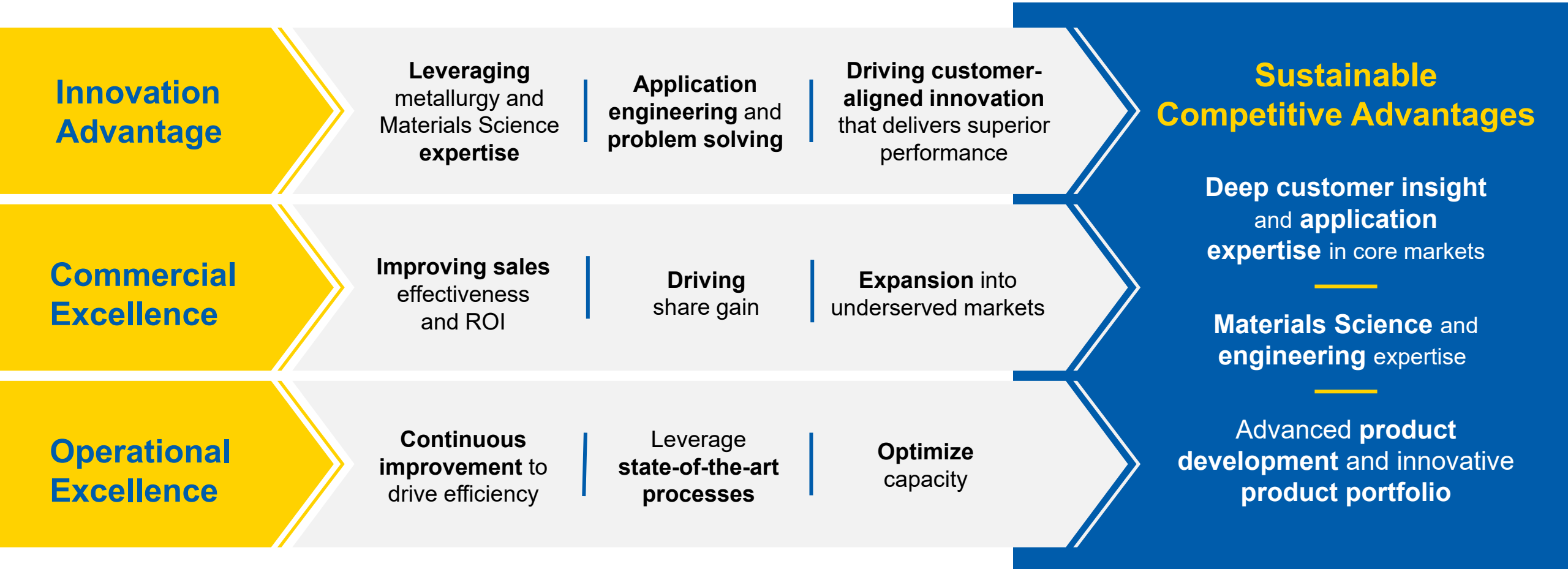
Utilize Smart Factory capable equipment to drive usage of real-time data for **additional improved performance**

Modernization in Action: **KENGold™**

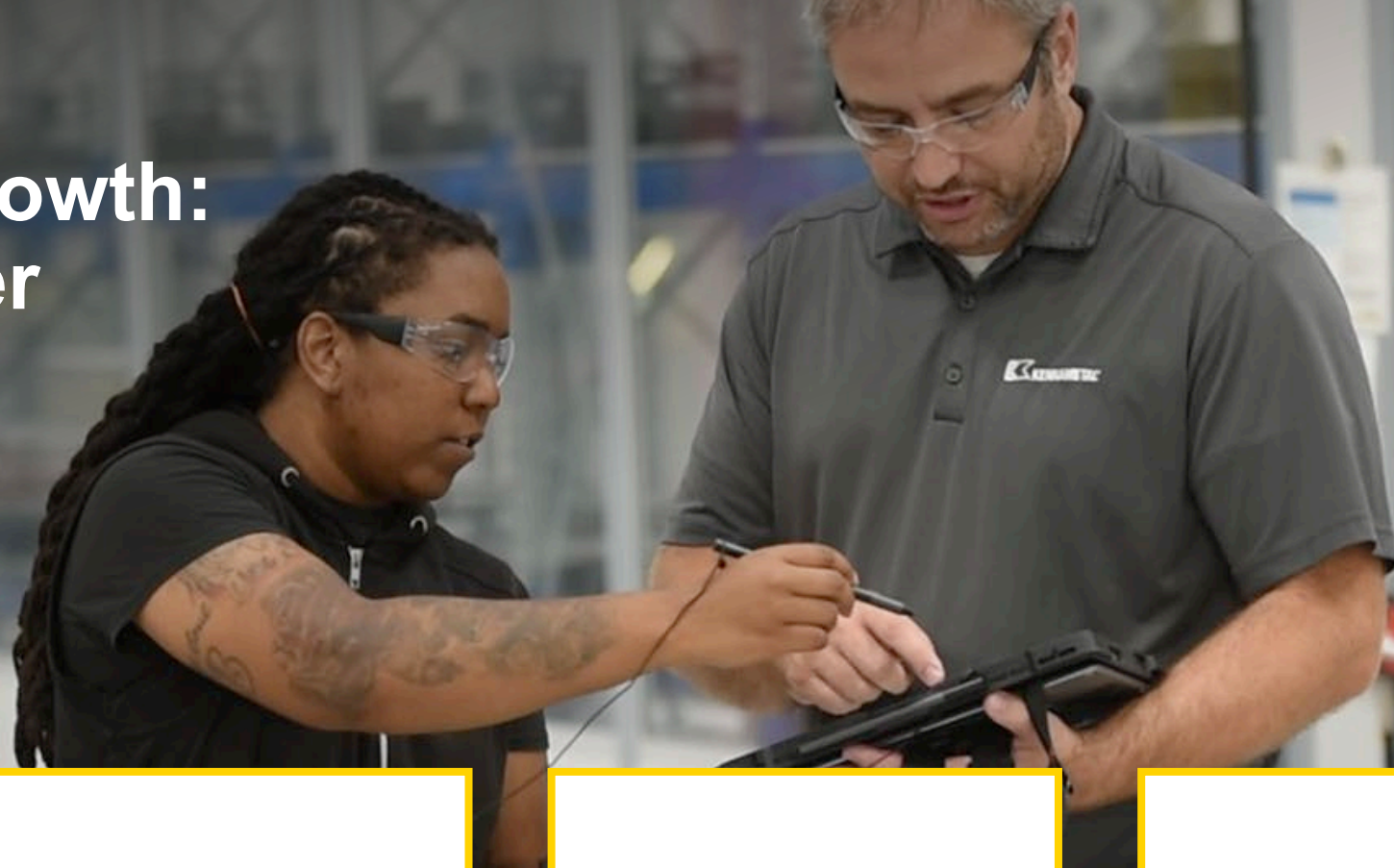
Enabled production of KENGold, a new product in growth portfolio with strong customer demand



Strategic pillars foundational to driving sustainable competitive advantages



Accelerating Growth: The next chapter of our evolution



**Capitalizing
on global
megatrends**

**Targeted
expansion in
underserved
markets**

**Strengthening
our strategic
pillars**

**Capacity
Optimization 2.0
& Operational
Excellence**

**\$100M
in savings**

Capitalizing on global megatrends

Post COVID economic recovery
still ahead



End Markets Affected



Growing global middle class
driving spending and consumption of goods and services



End Markets Affected



Increasing demand for energy
both renewable AND traditional sources



End Markets Affected



Geopolitical instability
driving prioritization of security and reshoring



End Markets Affected



Evolving workforce
creating greater need for technical support and eCommerce



End Markets Affected



Government infrastructure investment
driving construction growth

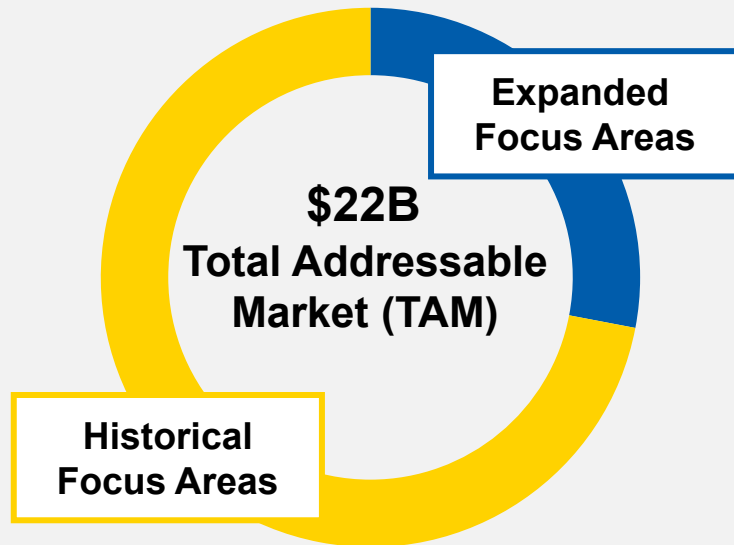


End Markets Affected



General Engineering Aerospace & Defense Energy Transportation Earthworks

Attractive TAM opportunity



SERVING ATTRACTIVE END MARKETS

Diversified geographic and end market exposure mitigates risk

Expanding into other applications, customer segments, and regions opens new revenue streams

Winning larger share of TAM and industry megatrends drives higher highs and higher lows

Aerospace & Defense

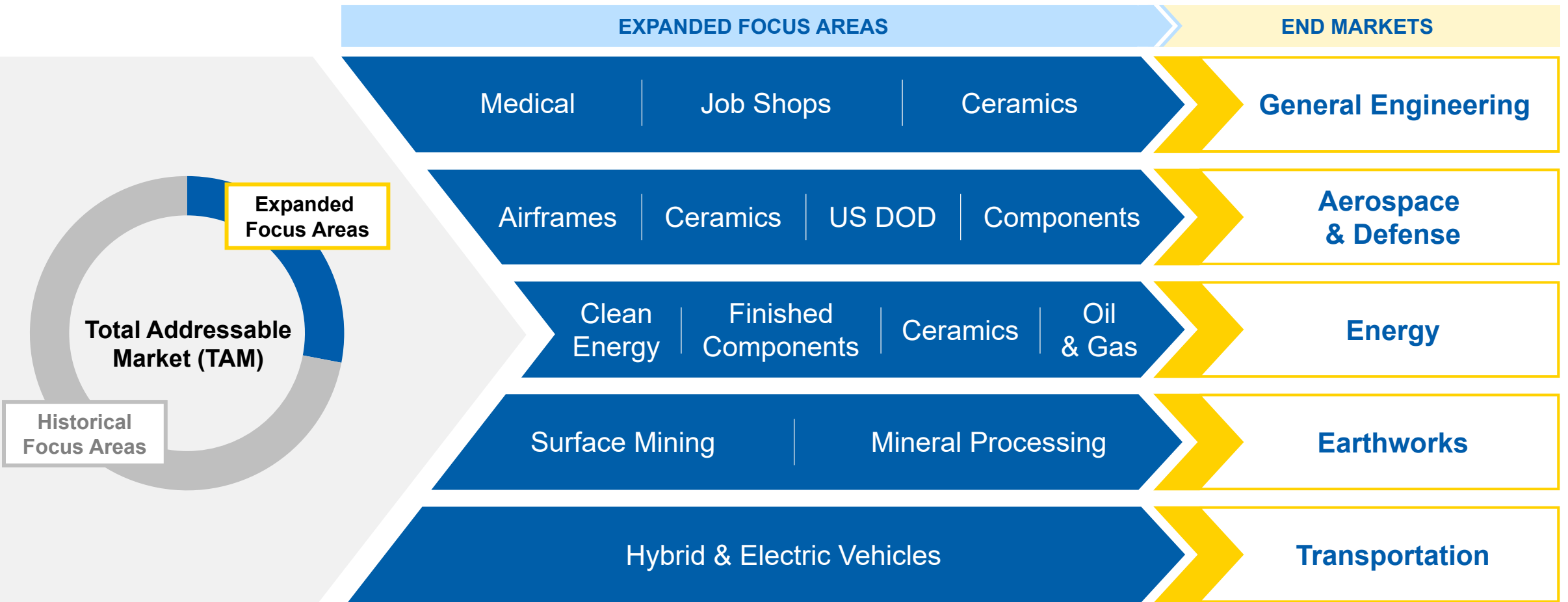
Energy

Earthworks

General Engineering

Transportation

Expanded focus areas to drive growth above market



Metal Cutting Aerospace & Defense: Demonstrated model for future growth

RECOVERING MACRO ENVIRONMENT

Long-term market
fundamentals are soaring
with elevated order backlogs from OEMs¹

7,959 Airbus | **5,588** Boeing

Aircraft build rates have not returned to pre-pandemic levels²
expected return in 2026

(1, 2) Boeing and Airbus's respective websites. July 2023.

OPERATING FROM A POSITION OF STRENGTH WITH FURTHER MARKET SHARE OPPORTUNITIES

Aerospace & Defense growth has
outpaced the market

~34%

OEM build rate growth³

~44%

KMT growth³

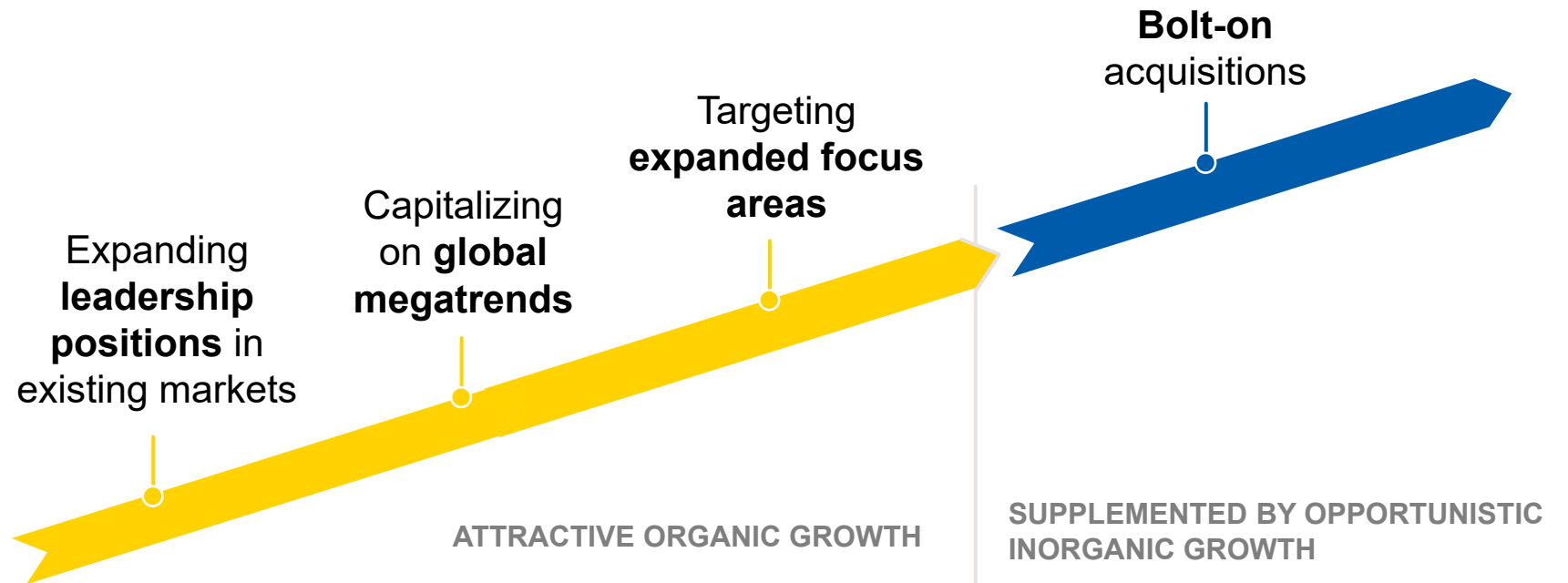
35%
sales growth
per plane with major global OEM (FY21-FY23)³

KMT is **delivering customer excellence**
HARVI™ solid carbide end mills selected for
Lockheed Martin Enterprise Machining Guide

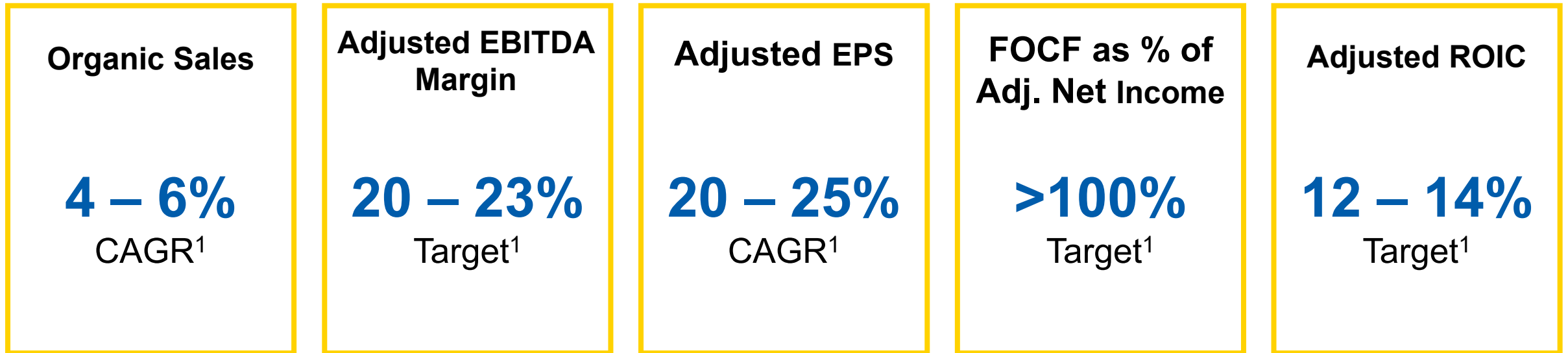
(3) FY21-FY23 OEM build rates, KMT internal calculation based on OEM data

Strong growth strategy underpinned by strategic pillars

- 1 INNOVATION ADVANTAGE
- 2 COMMERCIAL EXCELLENCE
- 3 OPERATIONAL EXCELLENCE



Positioned to deliver growth, profitability, and strong returns through FY27



1% – 2% Market Growth + 1% – 2% Market Share Gain + ~2% Price

Focused approach to ESG, aligned with core values

THE KENNAMETAL WAY

- ✓ Safety
- ✓ Accountability
- ✓ Respect
- ✓ Integrity

SIMPLIFICATION/MODERNIZATION IN ACTION

Sustainable Resource Allocation

12.9%

decrease in Scope 1 and 2 emissions intensity in 2022

10.4%

decrease in water intensity in 2022

4.1%

decrease in energy intensity in 2022

Environmental

Reduce resource consumption

Eliminate environmental risk

Develop consistent environmental practices

Social

Commit to diversity and inclusion

Secure world class talent

Support philanthropic goals

Governance

Ensure accountability

Maintain ethical business practices

Visit our website for just-released **FY23 ESG Report**



World class management team drawing on over 200 years of combined industry experience



Christopher Rossi

President & CEO
Joined KMT: 2017



Franklin Cardenas

VP & President,
Infrastructure
Joined KMT: 2020



Sanjay Chowbey

VP & President,
Metal Cutting
Joined KMT: 2021



Dr. Carlonda Reilly

VP & CTO
Joined KMT: 2018



Patrick Watson

VP & CFO
Joined KMT: 2004



Michael Pici
VP, Investor
Relations

Joined KMT: 2023



Michelle Keating
VP, Secretary &
General Counsel

Joined KMT: 2010



John Witt
VP & Corporate
Controller

Joined KMT: 2018



Judith Bacchus
VP & CAO

Joined KMT: 2006

SPEAKERS

A compelling investment opportunity

Sustainable Competitive Advantages

- Deep customer insight and application expertise in core markets
- Materials Science and engineering expertise
- Advanced product development and innovative product portfolio

Above Market Growth

- Market-leading products serving diversified and expanded TAM
- End markets benefiting from global megatrends
- Disciplined innovation increasing speed to market

Margin Expansion and Strong FOCF

- Excellent operating leverage
- Improved productivity and working capital through volume, Operational Excellence, and Capacity Optimization 2.0

Balanced Capital Allocation

- Invest in strategic initiatives
- Return cash to shareholders via dividends and stock repurchases
- Accelerate growth through inorganic investment
- Sustain investment-grade debt rating

Metal Cutting

Sanjay Chowbey

Vice President & President of Metal Cutting

Solutions to run longer, cut faster, and machine with greater precision

~\$1.27B

Annual sales

~85

countries served

40,000+

customers



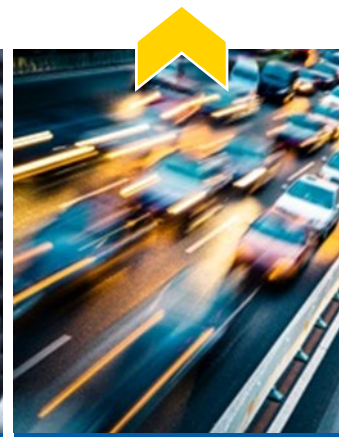
55%
General
Engineering



General
Engineering



Medical



27%
Transportation



EV



ICE



11%
Aerospace
& Defense



Aerospace



Defense



7%
Energy

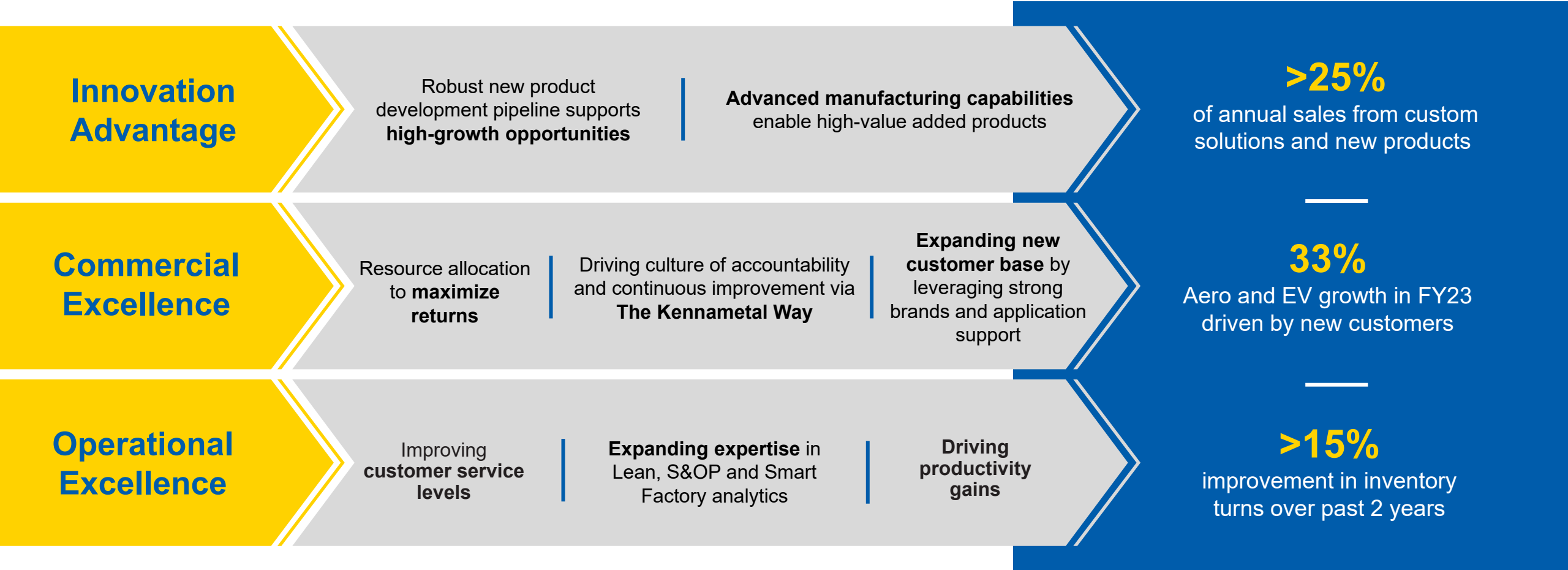


Wind



Oil & Gas

Leveraging our strategic pillars to outperform

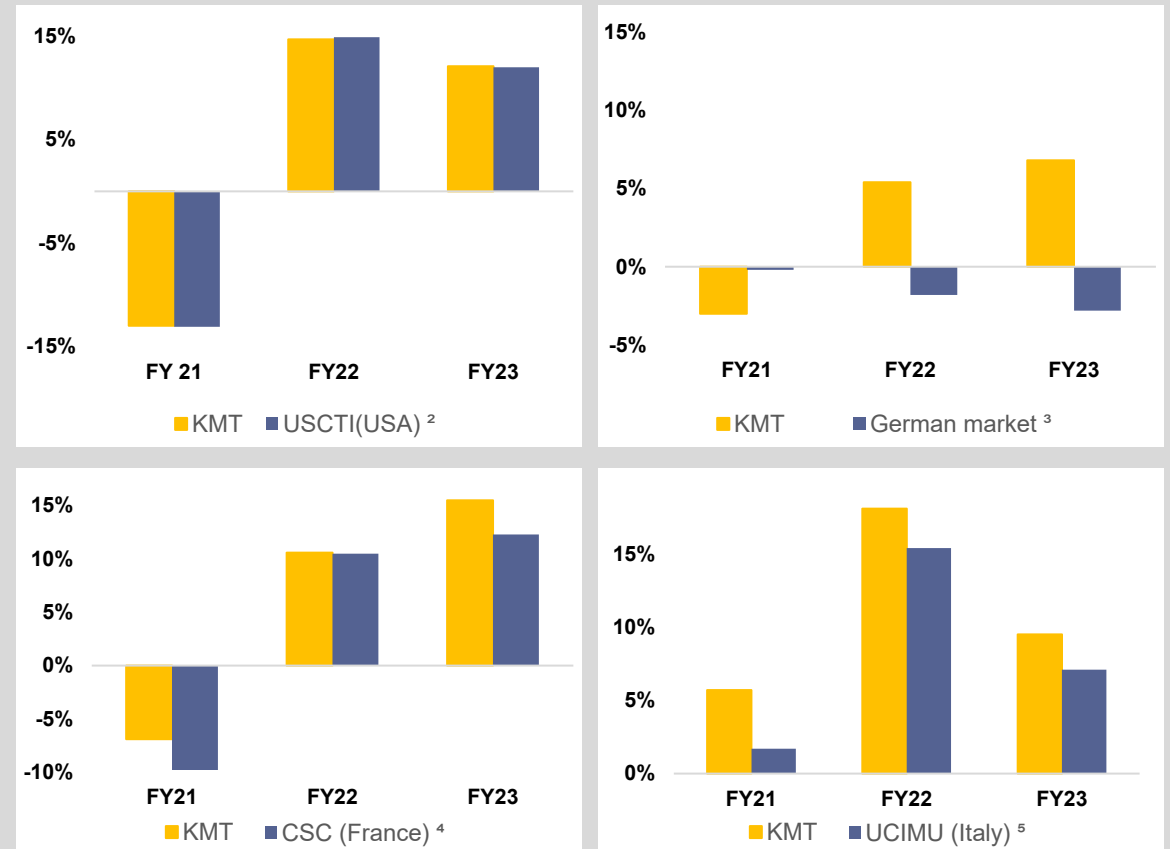


Proven leadership position in Metal Cutting

Quarterly Year over Year Sales Growth
(in Constant Currency)



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



Since 2022, Metal Cutting growth has outperformed select peers and key market growth

Participate in attractive total addressable market with incremental expansion opportunities

Positive market & megatrends

- Post COVID economic recovery
- Growing global middle class
- Increasing demand for energy
- Evolving workforce

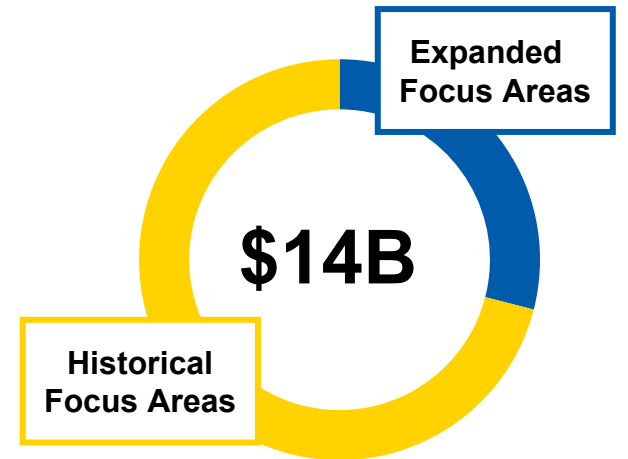
Opportunity in historical TAM

+ Base business share-of-wallet gains

Opportunity in expanded TAM

- Aerospace & Defense assemblies
- Electric vehicles
- Medical
- Small job shops

Attractive TAM



Targeting growth outpacing our markets

Combination of current leading position, megatrends and new growth opportunities drives market share expansion



Attractively positioned to capitalize on positive underlying market trends

POSITIVE MEGATRENDS



Post COVID economic recovery still ahead



Growing global middle class
driving spending and consumption
of goods and services



Increasing demand for energy
both renewable and
traditional



Evolving workforce
creating greater need
for technical support
and eCommerce solutions

KENNAMETAL WELL POSITIONED TO CAPTURE OPPORTUNITY

Core-business weighted favorably
to sectors with pent-up demand

Delivering proven solutions
through expertise in Materials
Science, technology & Additive
Manufacturing

Leadership position in clean energy
driven by **innovative solutions** and
customer collaboration

Full-service solutions leveraging
technical support ecosystem and
expanded digital offerings

With targeted opportunities in historical and expanded TAM



Aerospace & Defense: Operating from a position of strength

THE OPPORTUNITY

Building on position of strength in engines, expanding into airframes and other components

\$1.5B
TAM

7- 9%
Market CAGR¹
(2023 – 2027)


Share Gain
Opportunity

HOW WE WIN

Innovation Advantage

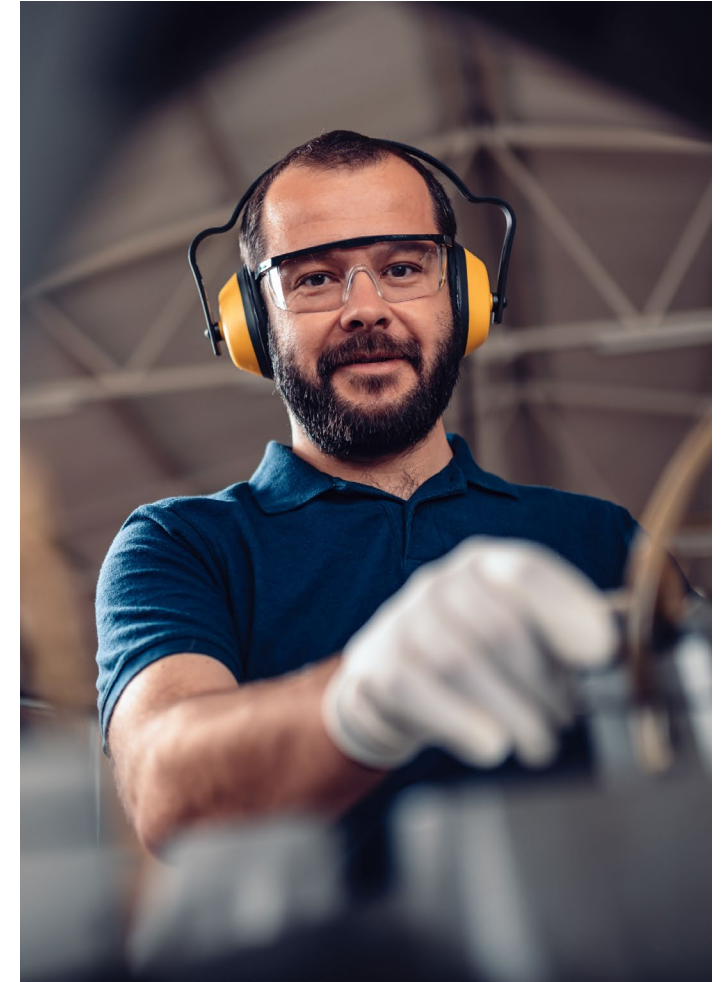
Technical collaboration to find innovative solutions

Leadership in **SuperAlloys** and **Titanium**

Global presence

Commercial Excellence

Expand current and **build** new customer relationships



“ Kennametal is helping us solve unique challenges to meet demand more efficiently. They have been a valuable supplier to P&W as we deliver on our company’s long-term strategy through their collaboration and expertise in the Aerospace machining, tooling and application space.

Clint Williams, Director, Cold Section Operational Excellence (OpX), Pratt & Whitney

Aerospace & Defense: Expanding leadership position

DEMONSTRATED
SUCCESS FOR
KENNAMETAL

Market Share Expansion

35% sales growth
per plane with major
global OEM¹

Accelerating Sales Growth

>30% growth in
opportunity funnel over
past two years²

New Customer Acquisition

Expanded new
customer accounts
by 10%²

DEMONSTRATED
SUCCESS FOR
OUR CUSTOMERS



For many years Kennametal has been a valued and trusted partner, providing HDI with technical and business support that is critical to our manufacturing operations. They work directly with us to develop innovative solutions to complex challenges, and the team is highly responsive to our needs.

Fred Gagne, HDI Plant Manager



Transportation Market: Evolution drives mix shift and growth opportunity

Well positioned to serve as a strategic partner to entire EV supply chain

Total vehicle units to increase at 2% CAGR¹, tooling demand remains stable²

		FY23		FY27		CAGR	
	Tooling	Vehicles (M)	Tooling Demand	Vehicles (M)	Tooling Demand	Vehicles (M)	Tooling Demand
ICE	1.00	60	60	36	36	-12%	-12%
HEV	1.10	15	17	28	31	16%	16%
BEV	0.55	11	6	29	16	27%	29%
Total		86	83	93	83	2.0%	0.1%

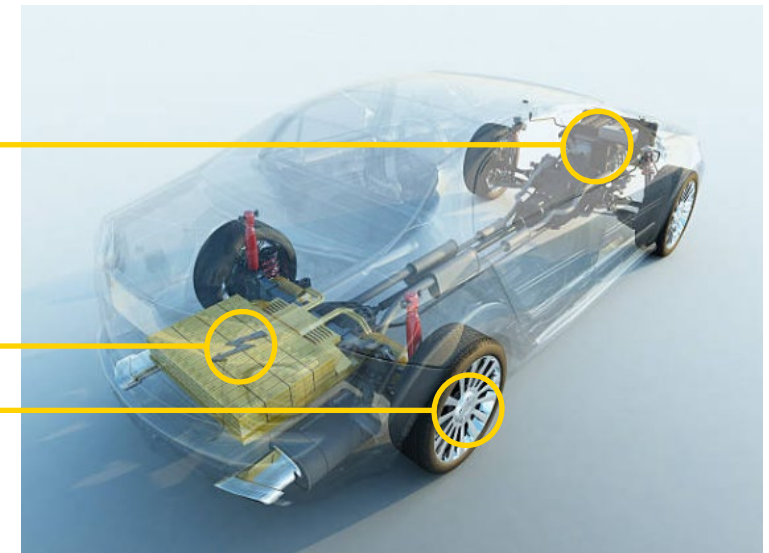
Slower adoption of BEV vs HEV leads to increased tooling demand

Serving HEV & BEV Applications

Transmission Components & Motor Housing

Battery Housing

Braking & Suspension Components



(1) IHS June 2023 data. Includes Light Vehicle (LV) Production, Internal Combustion Engine (ICE), Hybrid Electric Vehicle (HEV), Battery Electric Vehicle (BEV). KMT internal calculations. (2) Cutting tool market composite combines ICE, BEV, and HEV into an all-tooling equivalency market view.

Transportation Market: Well positioned to capture higher market share with shifting mix

THE OPPORTUNITY

New HEV and BEV projects at legacy and emerging OEMs

\$3.7B
TAM

Flat – 1%
Market CAGR
(2023 – 2027)


Share Gain
Opportunity



**U.S. EV Road Show kicks off in FY24
to reach customers with latest
Kennebec products & solutions**

HOW WE WIN

Innovation Advantage

EV leadership and technical expertise

Proprietary Additive Manufacturing required
for complex geometries

Commercial Excellence

Global account management; connected
to traditional and new players

Concerted global marketing and demand generation

BUILDING A POSITION OF STRENGTH

Accelerating Sales Growth

3x growth new
project wins YOY

Global Scale, Regional Agility

Project wins broad-based,
globally distributed

Capturing White Space Opportunity

3x growth in opportunity
funnel YOY

Medical: Leveraging expertise into new markets and applications

THE OPPORTUNITY

Expanding into growing medical device application space

\$1.4B
TAM

4 - 6%
Market CAGR
(2023 – 2027)


Share Gain
Opportunity

HOW WE WIN

Innovation Advantage

Leveraging our core competencies:
end mills, turning and threading

Dedicated technology roadmap to fill product portfolio

Leverage Additive Manufacturing to rapidly
prototype and meet customer's needs

Commercial Excellence

Invest in go-to-market to expand relationships and
technical support

Leverage US team's expertise globally

Materials Science Expertise

Material similarities
with Aerospace

Targeted Opportunities

OEMs and 2nd
Tier Suppliers

Inorganic Growth Opportunities

Building capabilities
and market reach

DRIVING IMPROVED CUSTOMER OUTCOMES

- Improved surface finishes and chip control
- Significantly increasing life of tools and increasing process reliability



Expanding customer reach through Commercial Excellence and Digital Customer Experience

THE OPPORTUNITY: SMALL & MEDIUM GENERAL ENGINEERING SHOPS

Well positioned to expand share in General Engineering market through underserved customers

Small job shops **~50%** of the General Engineering market¹

Lower relative share with small job shops presents growth opportunity

\$3.1B
TAM

1 - 3%
Market CAGR
(2023 – 2027)


Share Gain
Opportunity

Digital experience brings customers and KMT experts together driving:

Innovation Advantage

Improving content and engagement to enhance customer experience

Customer-led innovation and new product development

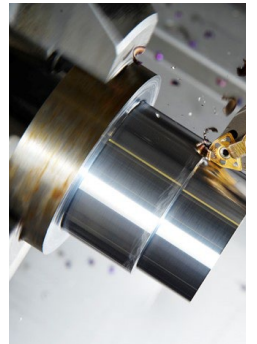
Commercial Excellence

Widia growth driven by expansion of multi-branded distribution

Improving support for smaller customers

Channel expansion increasing customer access

Granular customer targeting and segmentation



“ The technical support we get from Kennametal is tremendous, and you are one of the few companies to offer it. Your broad product offering is also important —it’s great to have a company we can rely on as a one stop shop.

Kenny Elmore, Director Sales for Max Tools, Distributor in Southeast U.S. serving job shops ”

Kennametal advantage allows us to tailor solutions to address customer needs

FOCUSED CUSTOMERS AND MARKET OPPORTUNITIES

Aerospace & Defense



Weighted favorably with **pent-up demand**

Transportation



Rapid **shift to hybrid and electric vehicles**

Medical



Growing medical device application space

General Engineering



Underserved **small to medium-size** customers

KENNAMETAL SUSTAINABLE COMPETITIVE ADVANTAGES

Strong and trusted brands

Deep customer insights and application expertise

Materials Science and engineering expertise

Advanced product development and innovative product portfolio

Application support and product availability

Targeted opportunities driving organic sales growth

Sales

5 - 7%
CAGR



\$1.27B



FY23

Market and Price Initiatives

- + Positive market and megatrends
- + Comprehensive product portfolio
- + Price for value

Share Gain Initiatives

- + Gain share in traditional end markets
- + Penetrate new and underserved markets
- + Innovation Advantage driving growth

FY27 E



Metal Cutting: Well positioned to create value for shareholders

Above Market Growth



Market-leading proven solutions available globally in growing end markets



Growth initiatives capitalizing on global megatrends and expanded TAM



Strong customer relationships and **Commercial Excellence knowhow** to drive targeted growth initiatives



Initiatives driving **margin expansion** and **strong FOCF**



Inorganic opportunities to accelerate growth

Infrastructure

Franklin Cardenas

Vice President & President, Infrastructure



Innovative solutions to address wear and earth-cutting customer challenges in diversified end markets

\$0.81B

Annual sales

~85

countries served

10,000+

customers



36%
Earthworks



Mining



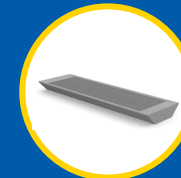
Construction



34%
General Engineering



Tool Manufacturing



Ceramics



24%
Energy



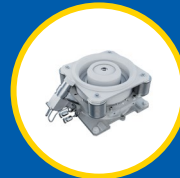
Oil & Gas



Process Industries



6%
Aerospace & Defense



Aerospace



Defense

Strategic pillars enable our infrastructure strategy

80 years of proven innovation in wear and earth-cutting solutions

Innovation Advantage

Product and process innovation to meet evolving customer demands

Proprietary powder formulation improves component performance

Solutions to meet customers most challenging demands

~30%
of annual sales from customized solutions and new products

Commercial Excellence

Improving sales effectiveness

Account management process focused on gaining share-of-wallet

Expand coverage to underserved regions and markets

45,000+
additional customer touch points in last 12 months

Operational Excellence

The Kennametal Way

Safer, more efficient operations

Targeted inventory reductions to improve working capital

~10%
improvement in inventory turns over the past 12 months

Attractive total addressable market with expansion opportunities

Positive market & megatrends

- Government infrastructure investment
- Increasing demand for energy
- Growing global middle class
- Geopolitical instability

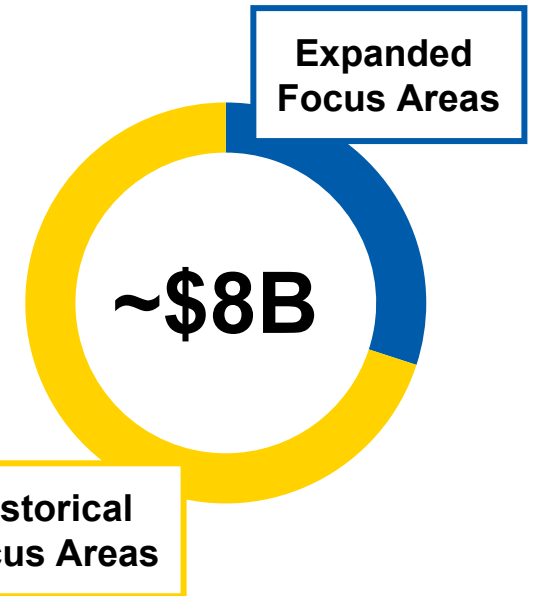
Opportunity in historical TAM

- Drive sales effectiveness
- Base business share-of-wallet gains

Opportunity in expanded TAM

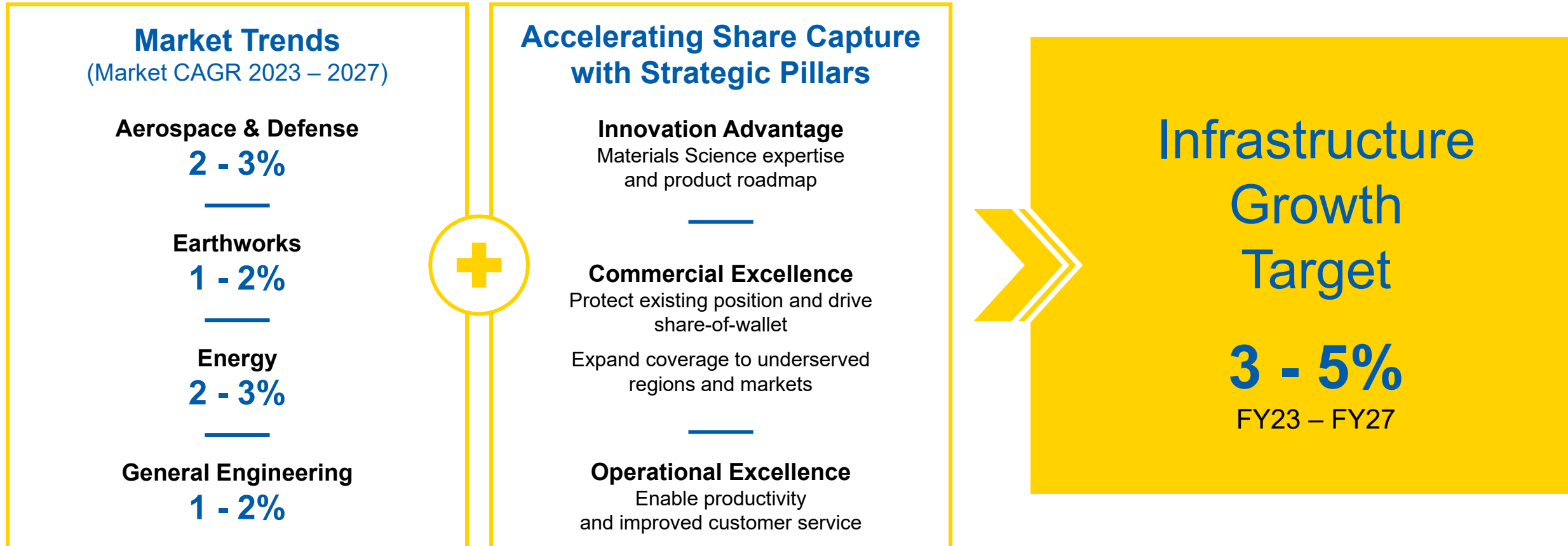
- Defense
- Ceramics
- Mining
- Oil & Gas

Attractive TAM



Well positioned to win in large and growing end markets

Combination of current leading position, megatrends and new growth opportunities drives market share expansion



Primed to capitalize on positive market trends

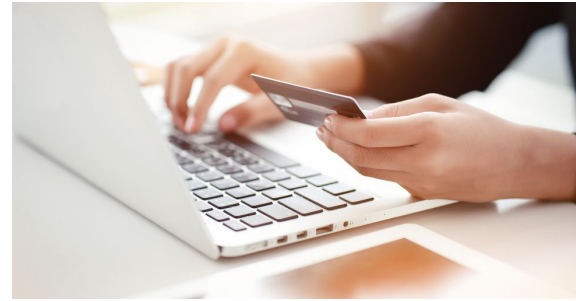
POSITIVE MARKET AND MEGATRENDS



Government Infrastructure Investment
driving construction growth



Increasing Demand for Energy
from both renewable and traditional sources



Growing Global Middle Class
driving spending and consumption of goods and services



Geopolitical Instability
creating environment where security and reshoring are prioritized

KENNAMETAL WELL POSITIONED TO CAPTURE OPPORTUNITY

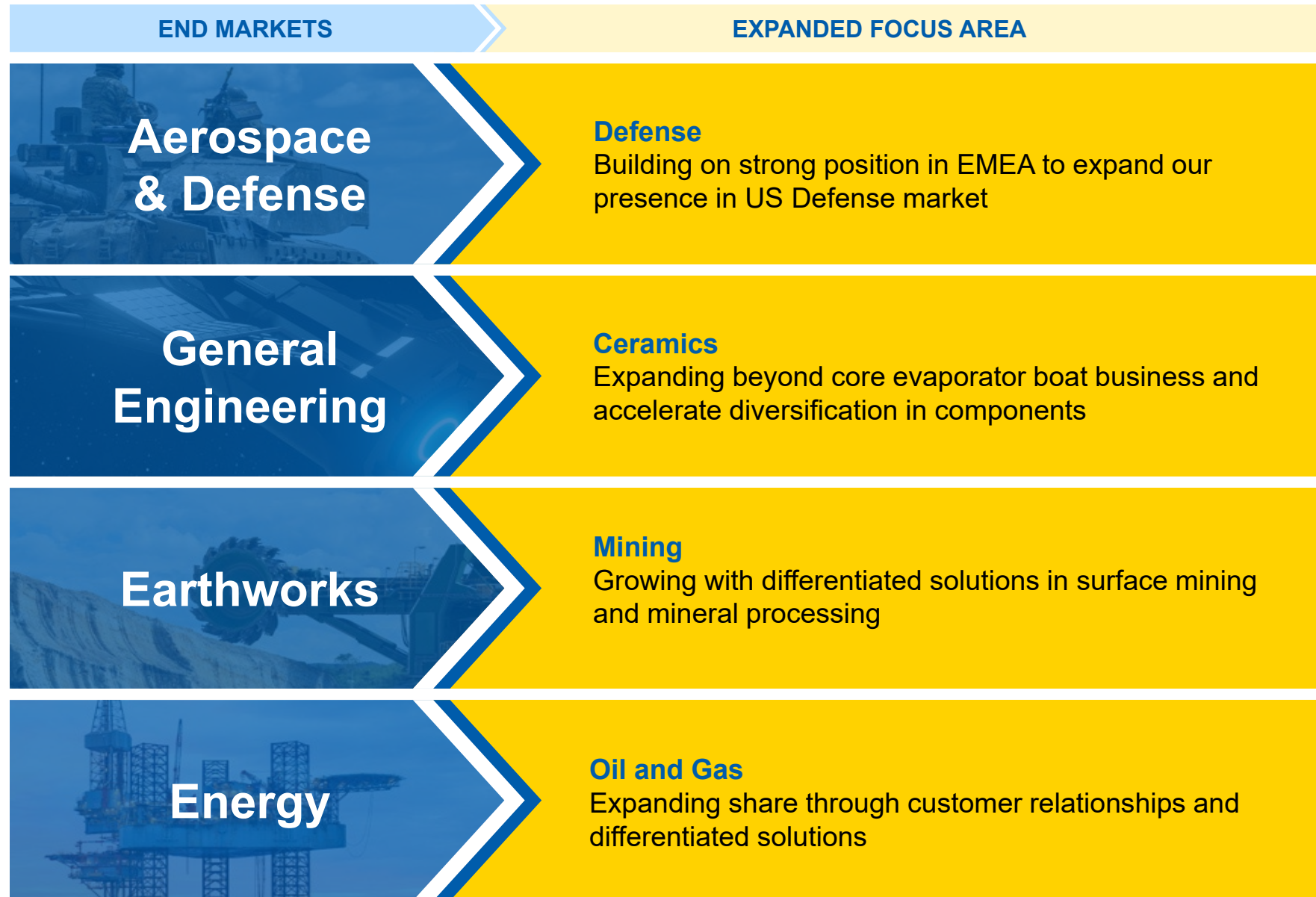
Our tools are critical to building and maintaining roads, bridges, runways and railways

Our products **improve productivity**, decrease energy consumption and use recycled materials

Global footprint enables us to deliver proven solutions and technical support to underserved markets

Leveraging Materials Science expertise to meet customer demand and specification requirements

Leveraging excellence in strategic pillars to gain share in growing end markets



Defense: Delivering high-performing solutions to support the US Department of Defense and its allies

THE OPPORTUNITY

Grow defense munitions business beyond Europe and expand into adjacent markets

\$0.9B
TAM

2 – 3%
Market CAGR
(2023 – 2027)


Share Gain
Opportunity

RELIABLE PARTNER MEETING OEM NEEDS



- World class component performance driven by Materials Science expertise
- Industry authority for next generation products

HOW WE WIN

Innovation Advantage

Leverage vertically-integrated supply chain

Partner with customers in early-stage product development

Commercial Excellence

Strengthening position as strategic partner

Building relationships with Defense agencies

DEMONSTRATED SUCCESS

3

OEM approvals

Achieved approved supplier list status for top US Defense ammo OEMs

60%+

Order intake increase in last 12 months

Ceramics: Expand beyond core business and accelerate diversification

Leading market share in evaporator boats used in process to foil coat food packaging material

THE OPPORTUNITY

Expand beyond core boat business and accelerate diversification in components

\$0.3B
TAM

2 – 4%
Market CAGR
(2023 – 2027)


Share Gain
Opportunity

PROVEN LEADER IN EVAPORATOR BOAT SOLUTIONS



- Maximizing process performance, while reducing energy consumption
- Customized solutions reducing operator dependency

HOW WE WIN

Innovation Advantage

Leverage core Materials Science knowhow

Partner with OEMs on new component product development

Commercial Excellence

Global customer reach with local sales and technical support

Maintain leading levels of product availability

Build upon strong customer relationships and application engineering expertise

High Margin

non-cyclical business

+29%

CAGR for non-boat business over the past 2 years

Mining: Strong foundation & proven solutions enable growth in underserved markets

THE OPPORTUNITY

Expanding with differentiated solutions in minerals, surface mining and mineral processing

\$0.9B
TAM

1 – 2%
Market CAGR
(2023 – 2027)


Share Gain
Opportunity

WEAR PROTECTION SOLUTIONS IN EXTREME MINING CONDITIONS



- KenCast™ wear protection installed in critical wear areas of excavator bucket
- Provided customer over 8,000 hours of continuous use
- More than 5X life extension of critical equipment

HOW WE WIN

Innovation Advantage

Leverage and expand extensive portfolio of proven solutions

Expand field application support

Commercial Excellence

Expand sales and distribution coverage in underserved markets

Strengthen OEM relationships

Differentiated Market Leading Products

Surface mining tool provides **2x life** for share growth in Chile



Kennametal stands out from the competition for its support and diverse portfolio of tools, components and wear resistant products. This allows us to offer our customer the most diverse selection and support possible... and to grow into new markets.

Scott Bahr

President and CEO

Bit Service Cutting tool supplier for mining industry



Oil & Gas: Engineering solutions to support energy innovation

THE OPPORTUNITY

Expanding share through customer relationships and differentiated solutions

\$0.3B
TAM

2 – 3%
Market CAGR
(2023 – 2027)


Share Gain
Opportunity

IMPROVING OIL PRODUCTION AND WELL PRODUCTIVITY



- Carbide inflow control devices have superior reliability
- Last the lifetime of the oil well, eliminating downtime for replacements

HOW WE WIN

Innovation Advantage

Continue innovating high-value solutions for our customers

Technical expertise and Additive Manufacturing to bring complex products to life

Commercial Excellence

Build on our reputation as a trusted partner

Leverage customer relationships to expand into underserved markets

STRONG FOUNDATION FOR GROWTH

Established joint development & innovation agreements
with 3 of the top oil field service companies



The Additive Manufacturing process and the right material, like Kennametal's Stellite 6, enables considerably greater design flexibility than traditional manufacturing. This allows us to tackle severe service, high pressure drop and high wear applications.

Anirudh Rajaseshan
Program Manager, IMI Critical
Global leader in flow solutions



Delivering tailored solutions to address customer's wear and earth-cutting challenges

FOCUSED CUSTOMER AND MARKET OPPORTUNITIES

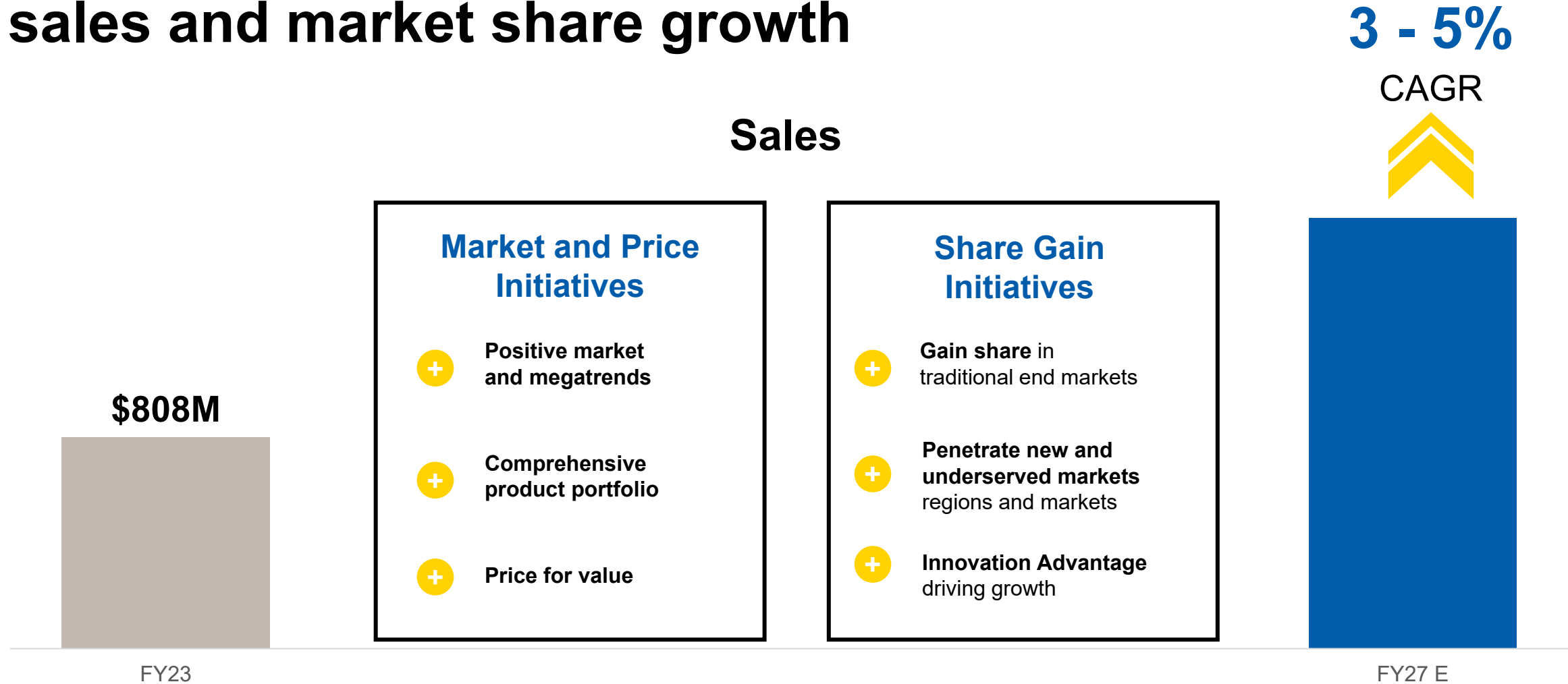
Small End User	Distributor	OEM	Larger End User	Defense
				
<p>“I want information and help to select a part I need right now.”</p>	<p>“My customers want trusted brands, and I want bigger sales margins.”</p>	<p>“We need a reliable supplier with high quality and product support.”</p>	<p>“Our company needs a solutions provider who understands our business!”</p>	<p>“We need superior performing products and rigorous regulatory compliance.”</p>

KENNAMETAL SUSTAINABLE COMPETITIVE ADVANTAGES



Targeted opportunities delivering organic sales and market share growth

Sales



Infrastructure: Well positioned to create value for shareholders

Above Market Growth



Market-leading proven solutions available globally in growing end markets



Growth initiatives capitalizing on global megatrends and expanded TAM



Strong customer relationships and Commercial Excellence knowhow to drive targeted growth initiatives



Initiatives driving margin expansion and strong FOCF



Inorganic opportunities to accelerate growth



15 Minute Break

Technology & Innovation Advantage

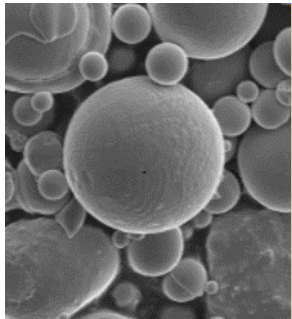
Dr. Carlonda Reilly

Vice President & CTO



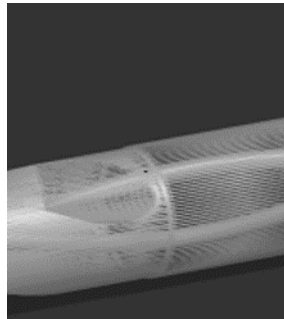
World-class technology capabilities power innovation engine

DIFFERENTIATING CAPABILITIES LEVERAGED ACROSS THE SEGMENTS



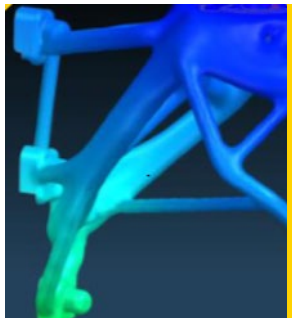
Materials Science

Tungsten Carbide, Metal Alloys and Ceramics



Additive Manufacturing

Unique, powder production, flexible design, post print processing



Product Engineering

Applied math and science



Smart Factory

Process and automation technology

>500

Global Scientists and Engineers

3

Global R&D Centers

22

Engineering Hubs

1,800+

Active Patents

~20

New Products Annually

Innovation differentiators enable growth and margin expansion

Expertise carries across both segments with specialists focused by business and products



Innovation differentiators enable further enhancement of strategic pillars



Innovation Advantage

Differentiated market leading products

Driving share gains

Leading application and Additive Manufacturing capabilities

Enable differentiated solutions

Commercial Excellence

Customer-led innovation

Fuels collaboration and insights

Extends technology reach

Digital Customer Experience (DCX)

Operational Excellence

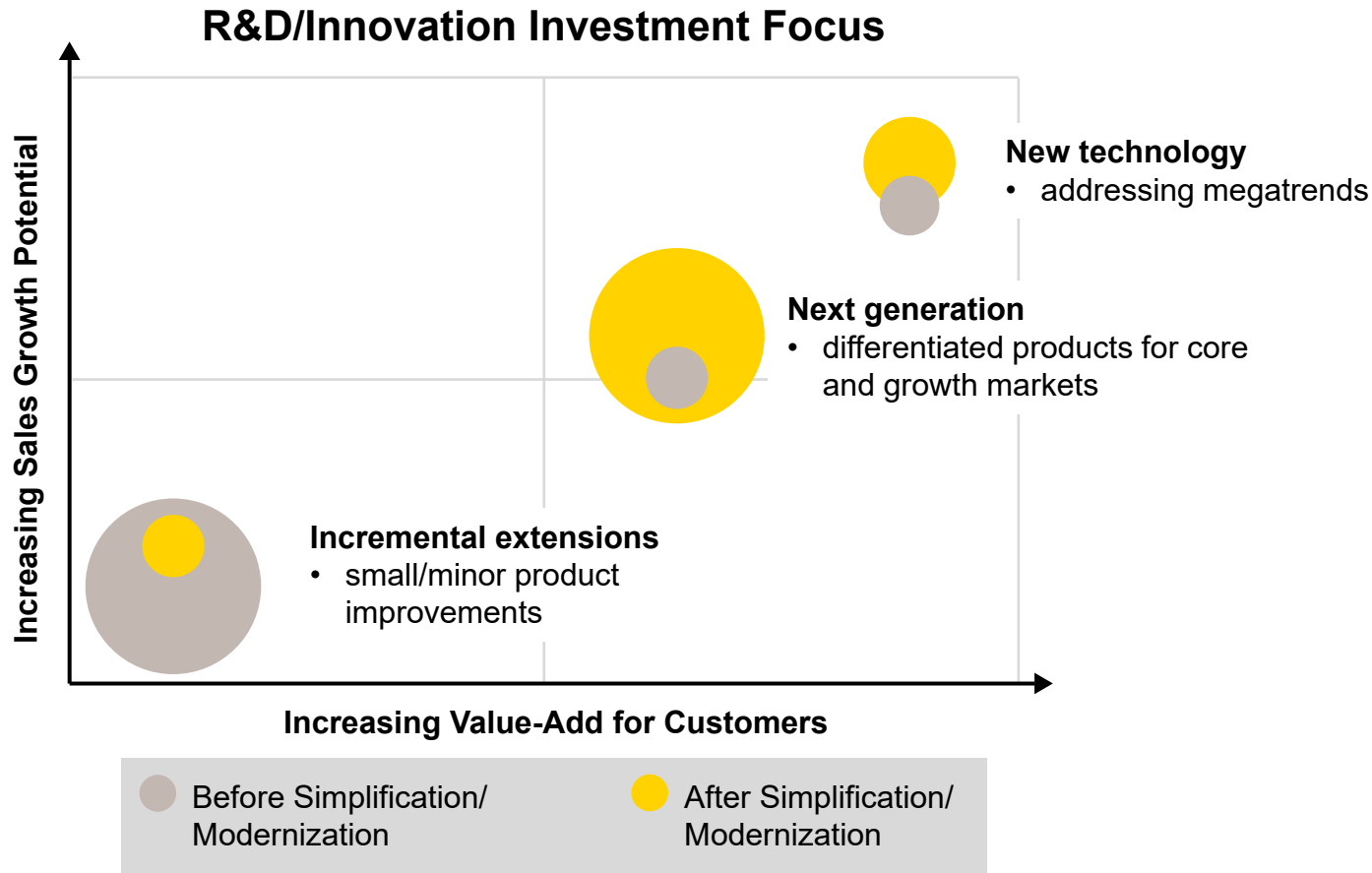
Disciplined innovation

Increases speed to market and drives growth

Build employee ownership & increase productivity

Through better manufacturing process and automation

Investment in innovation driving pace in delivery of higher-valued, differentiated products



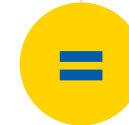
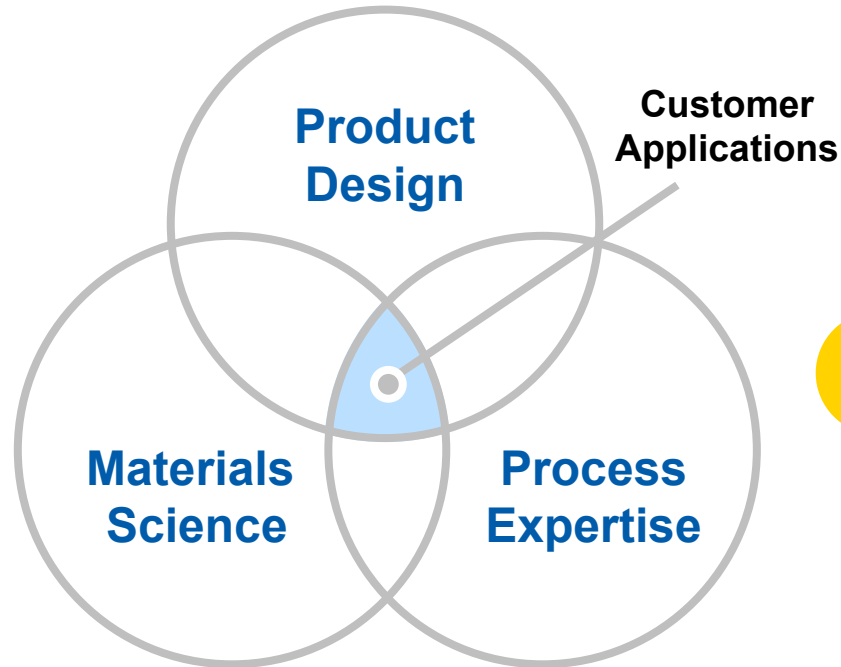
- ✓ **Focused portfolio**
of higher-valued, differentiated products
- ✓ **Projects aligned**
with business strategy and market drivers
- ✓ **Increased speed**
and impact in the market

Innovation operating system ensures differentiated products and solutions

Market & Customer Insights

Engineers translate insights into technical challenges and solutions

Digital Customer Experience enhances customer collaborations, expands technology reach to small and medium-sized customers



Innovative products & solutions that customers want



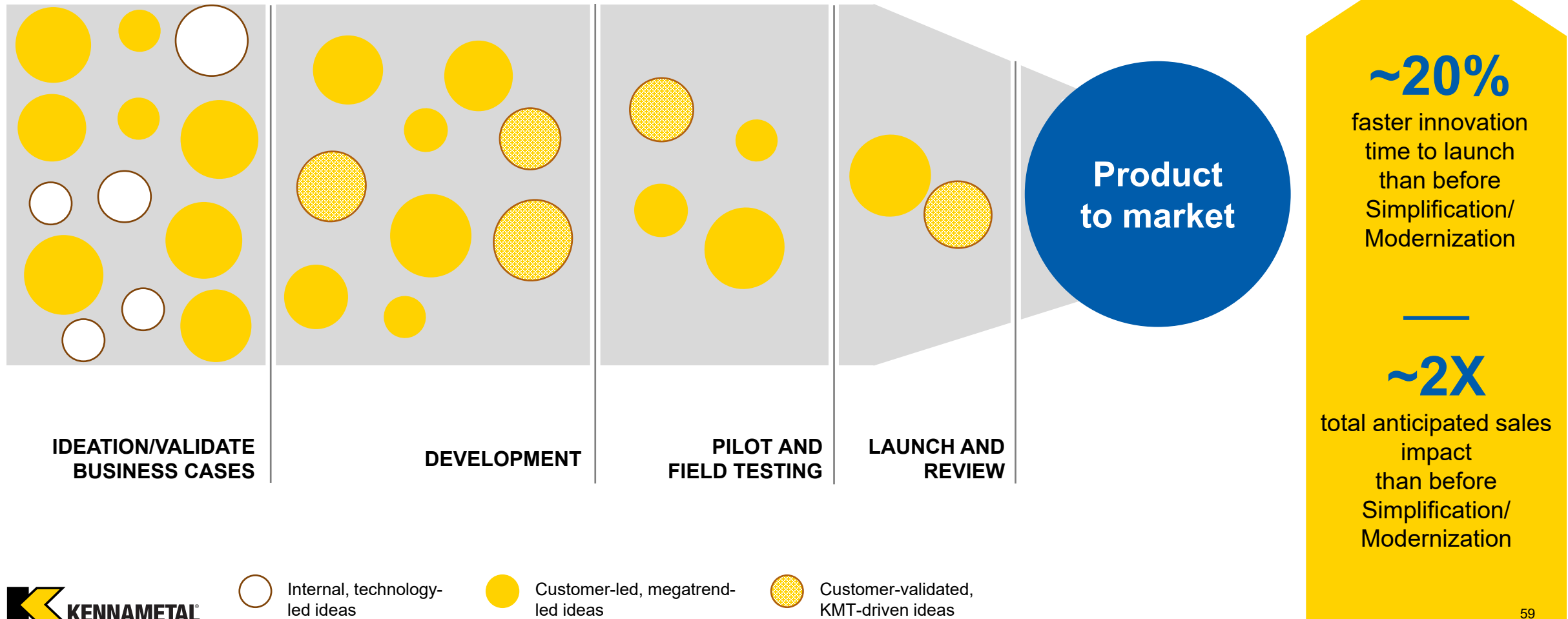
KENionic™ Technology
Bionic-inspired design for machining large Transportation components



Complex Flow Control System
First wear and corrosion resistance additive grade in Energy market



Innovation process enables development of higher-value, in-demand products

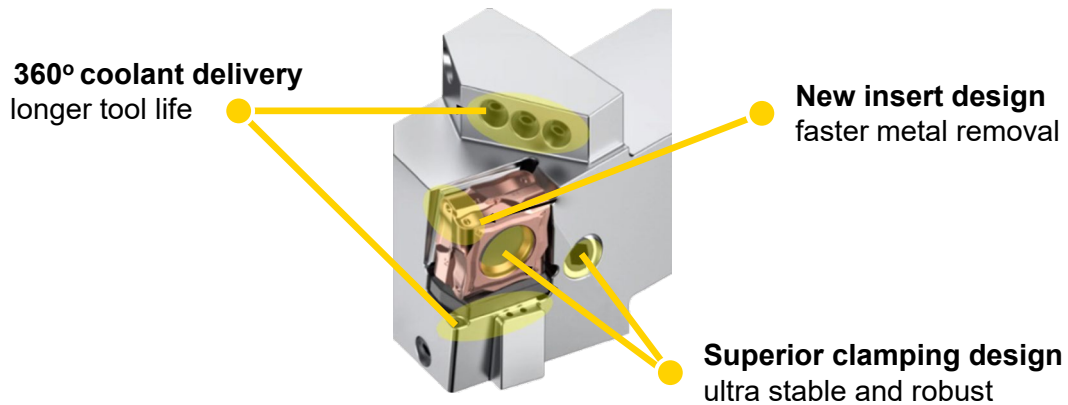


Innovation system in action

Increased Differentiated Value

FIX8™ Tooling System

Industry leading turning technology for a wide range of applications



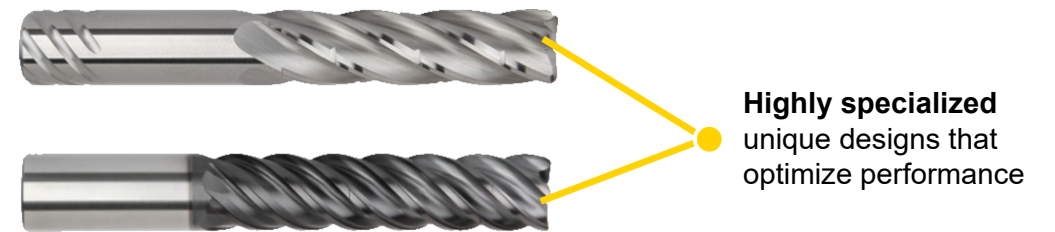
Up to 30% higher metal removal rates and longer tool life

Reduces machine power consumption needed by 15%

Increased Speed to Market

KOR™ THE KING OF ROUGHING

From concept to commercial 4x faster than average cycle



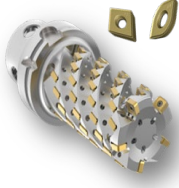





Heavy roughing and finishing large aluminum and steel structures

Up to 50% higher metal removal rates versus traditional

Award-winning innovations drive growth in our target markets

PROPRIETARY NEW PRODUCTS

General Engineering		Aerospace	Mining	Energy	Electric Vehicles
Transportation	Aerospace				
	 <p>Preferred product in Lockheed Martin's machining guide</p> <p>2020 EDISON AWARD WINNER HARVI™ 1TE Applied Technology Metal Production</p>	 <p>"Winner OEM Industry Challenge"</p> <p>2019 R&D 100 FINALIST</p>			 <p>WINNER BI BEST OF INDUSTRY AWARD</p>
KENGGold™ Technology	Award Winning HARVI™ 1TE	HARVI™ Ultra 8X	PCD Mining Roof Tools	Additive Nozzles	RIQ Reamer
Longer life, more productivity, 20% faster across applications	Unprecedented combination of high metal removal rates (MRR), tool life, cutting versatility	Highest metal removal rates (MRR) for its class in industry to date, especially in high-temperature alloys	15x longer life and higher productivity over traditional carbide – faster roof stabilization	Corrosion-resistance additive grade, cost effective complex-shaped bit nozzles	40% lighter weight and >3X productivity

Technology roadmap designed to enable share gain and base business growth

	FY24 – FY27 METAL CUTTING	FY24 – FY27 INFRASTRUCTURE
Enhanced Product Launches	Turning Innovations	Wear Solution Innovations
	Holemaking Innovations	Construction Innovations
	Indexable Milling Innovations	Regional Focused Innovations and Applications
	Solid Carbide End Mill Innovations	New solutions in Aerospace & Defense, Mining, Energy, and Ceramics
	New advanced products solutions for EV, Aerospace, Medical	
Advanced Process Technologies	Smart Factory Optimization and Digital Tools	
	Process Technologies Optimization	
	Next Generation Automation Technologies	
R&D Materials Advancements	High Performance Coatings and Grades	
	New Materials for Secular Growth Trend Markets	
	New Additive Universal Grades	
	Ceramic Materials and Applications Development	

Ceramics: Building on core Materials Science strength to expand product offerings

Core Expertise: currently supporting ~\$90M Ceramics business across the enterprise

MATERIAL CLASSES

Titanium Diboride, Boron Nitride

Silicon Nitride, Sialon, Boron Carbide

- Evaporator Boats
- High Temperature Thermal Insulating Components
- Powders/Additives for Coatings and Components

- Inserts and End Mills for Aerospace
- High Pressure Nozzles for General Engineering

CURRENT APPLICATIONS

END-TO-END MANUFACTURING CAPABILITIES

1

Formulation

2

Milling

3

Forming

4

Sintering

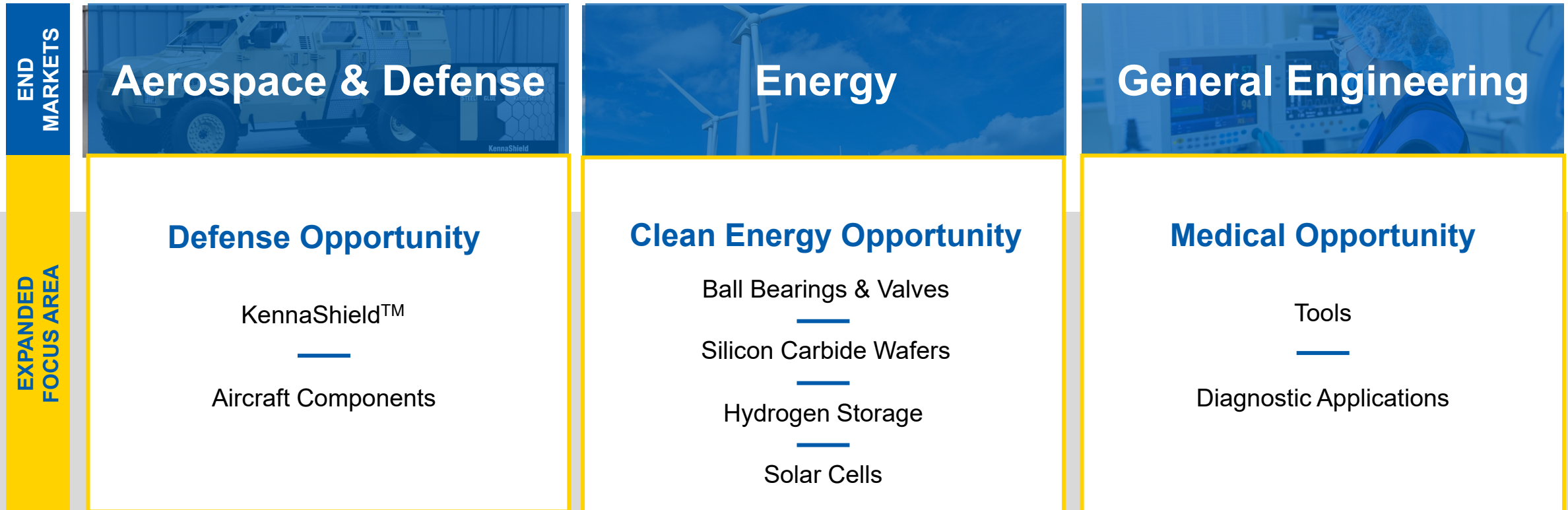
5

Shaping

6

Finishing

Ceramics expertise enables attractive new applications that align with global megatrends



Applying Ceramics technology capabilities to fuel growth beyond FY27 targets

Leadership position in Additive Manufacturing expertise enables differentiated solutions

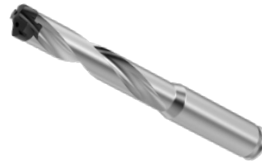


KENionic™
Technology
Electric Vehicles



OPTIMIZED PERFORMANCE

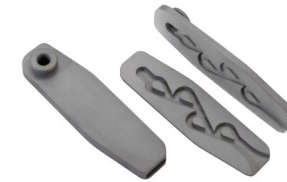
- Less material usage
- Lower power consumption
- Increased productivity



KenTip™ FS
General Engineering

INCREASED FUNCTIONALITY

- Feature integration
- Parts consolidation
- Ease of customization



Flow Control Device
Energy

LEAD TIME REDUCTION

- Faster development cycles
- Fewer manufacturing steps
- Lower inventory needs

TARGET GROWTH
OPPORTUNITIES



Advanced tooling for Aerospace & Defense, EV

Unique components in Clean Energy, Aerospace & Defense

Digital Customer Experience (DCX) extends technical reach to small and medium-sized customers

Enhanced customer experience at kennametal.com



1 Customer request for best solutions to make complex components

2 Rules engine delivers most efficient total solution package proposal

3 Proposal acceptance, order placement

4 Download CAD/CAM models, deliver solution

5 Post-sale application support secures long-term, repeat business

KMT Collaboration Space

SOLUTION FINDER COLLABORATION TEAM Cart (13)

Function Workpiece Feature Material Machine Parameters Strategies

ADD TO CART

VIRTUAL TOOLBOX

- PROJECTS
- MY SOLUTIONS
- WORKPIECE FEATURES

PRODUCT MATERIAL STATUS QTY

KM4X63HPVTTH08080M 5552369	✓	1
B551A07938DAL 5420674 KN15	✓	1

Need to update your Company Information?
Contact Customer Service at 800-446-7738

Innovation Advantage creating value for shareholders

Above Market
Growth



Delivering **customer-led innovation** enabled through customer insights and a disciplined innovation framework



Driving **differentiated and market-leading products through** science, engineering and process expertise that enable share gain



Leveraging technology across segments to grow in expanded markets and megatrends



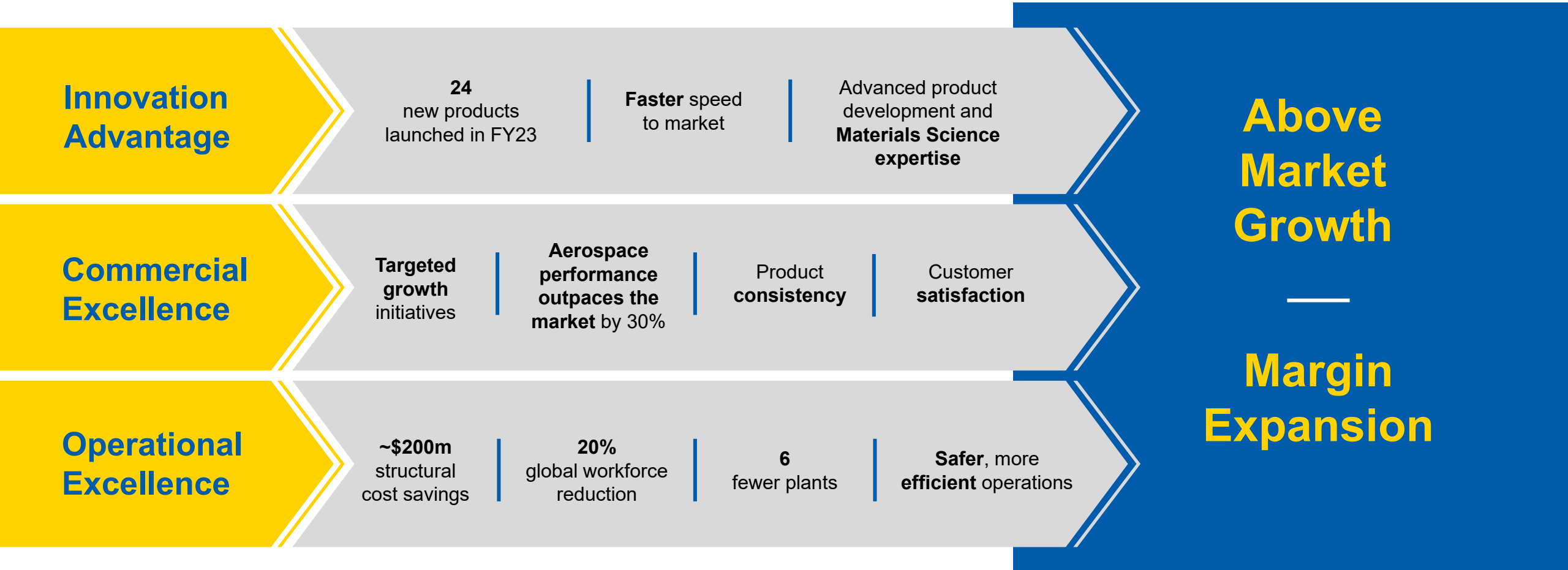
Expanding technology reach through customer collaboration and Digital Customer Experience

Financial Strategy

Patrick Watson

Vice President & CFO

Successful execution of Simplification/Modernization enables pathway for growth



Reaffirming our 2024 Outlook

FY24 TOTAL YEAR OUTLOOK

Sales
\$2.1 - \$2.2B

~(2) - 3%

Volume growth

~3%

Price realization

Neutral

Foreign exchange

Interest Expense
~\$28M

Adjusted Effective Tax Rate
~24%

Adjusted EPS
\$1.75 - \$2.15

Depreciation & Amortization
~\$135M

Capital Spending
~\$100 - \$110M

Primary Working Capital (% of sales)
30 - 32% throughout the year

Free Operating Cash Flow (FOCF)
~100% of adjusted net income

Share Repurchase
Offset dilution from compensation programs, at a minimum

OUTLOOK CONSIDERS THE FOLLOWING ASSUMPTIONS

+ Inflationary environment continues to moderate

+ End markets continue to recover:

Transportation:
Recovery continues at a more moderate pace

Energy:
Moderates with slowdown in US land rig count growth

Aerospace & Defense:
Growth continues

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





+ Pension income neutral (non-cash)

+ Restructuring savings ~\$15M which is back-end loaded, annualized run rate of ~\$20M at end of FY24

Targeted opportunities delivering organic sales and market share growth



Strategic initiatives position KMT to deliver share gain

Strategic Growth Initiatives	 Electric Vehicles	 General Engineering	 Medical	 Aerospace & Defense	 Mining	 Ceramics	 Oil & Gas
End Market	■	■	■	■	■	■	■
Opportunity	<p>Win new HEV and EV projects</p> <hr/> <p>Target components for EV battery production</p>	<p>Target underserved small and medium shops</p>	<p>Leverage super alloy and solid end mill expertise</p>	<p>Drive share to level comparable to share in Transportation</p> <hr/> <p>Grow armor protection solutions and materials</p>	<p>Industrial materials, surface mining, mineral processing</p>	<p>Grow in China, defend high share of food packaging market in US & EU</p> <hr/> <p>Cutting tools for specialty material, including aerospace applications</p>	<p>Gain share through more productive solutions</p>

Improving customer service and expanding profitability through Operational Excellence

The Kennametal Way

Continuous improvement of operational efficiency and customer service levels

Alignment of **capital efficiency** targets to leadership compensation

Expanded recycling capabilities and **improved energy efficiency** aligns with **ESG** and values

Operational Performance

Advanced process technology to **enable new product innovations**

Leverage lean manufacturing and Smart Factories to **drive performance**

Capacity Optimization 2.0

Safer, more efficient operations with higher levels of customer service

Working Capital Improvements

Advanced S&OP process and tools

Driving capital efficiency through inventory and cycle time reduction while improving delivery performance

Operational Excellence leading to margin expansion

\$100M

**Operational Excellence &
Capacity Optimization 2.0
Expected Cost Savings
(FY24 – FY27)**



Optimizing inventory levels to **improve customer experience** at a lower cost

Continuous operational improvement of approximately 1% of Cost of Sales per year

\$20M

previously announced restructuring program

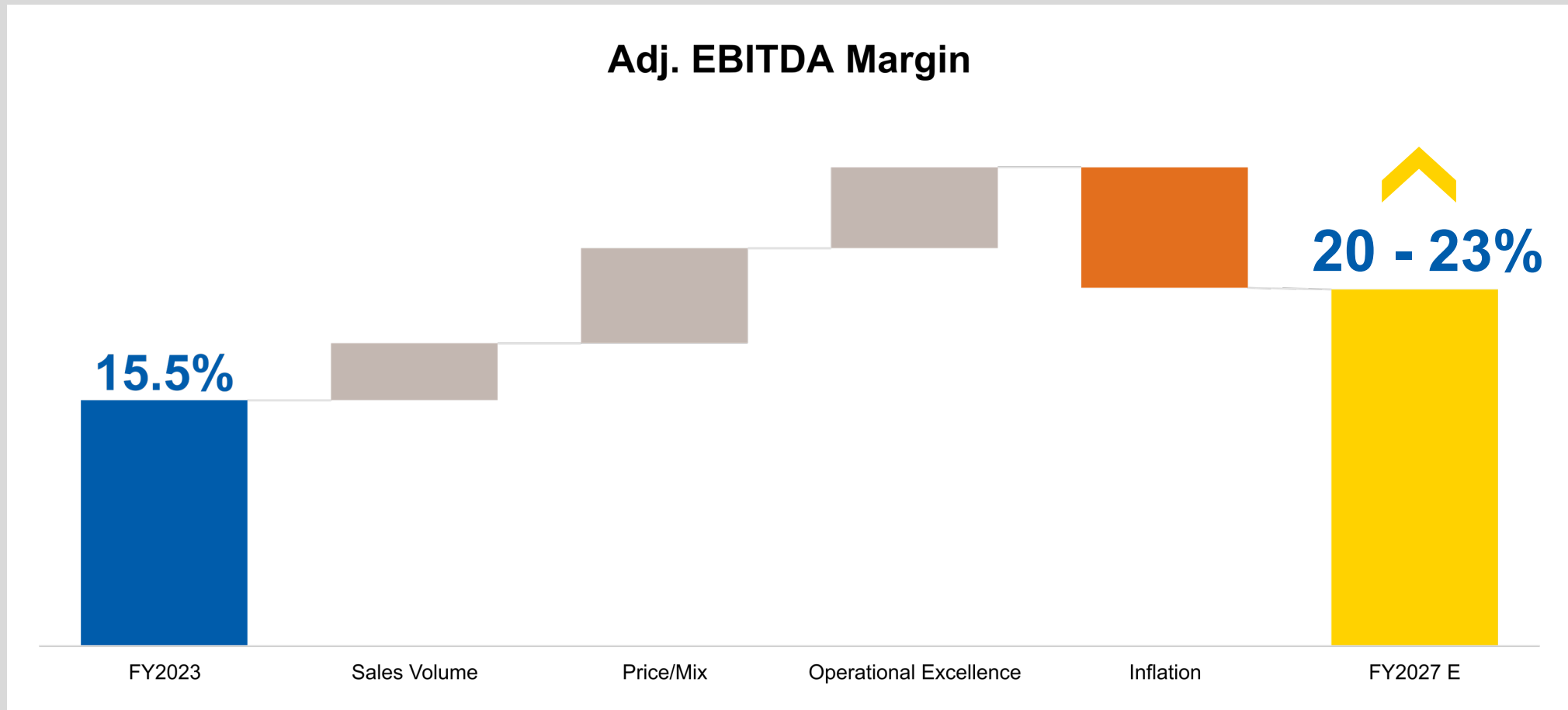


Automation & Smart Factories to **drive productivity**

3-5

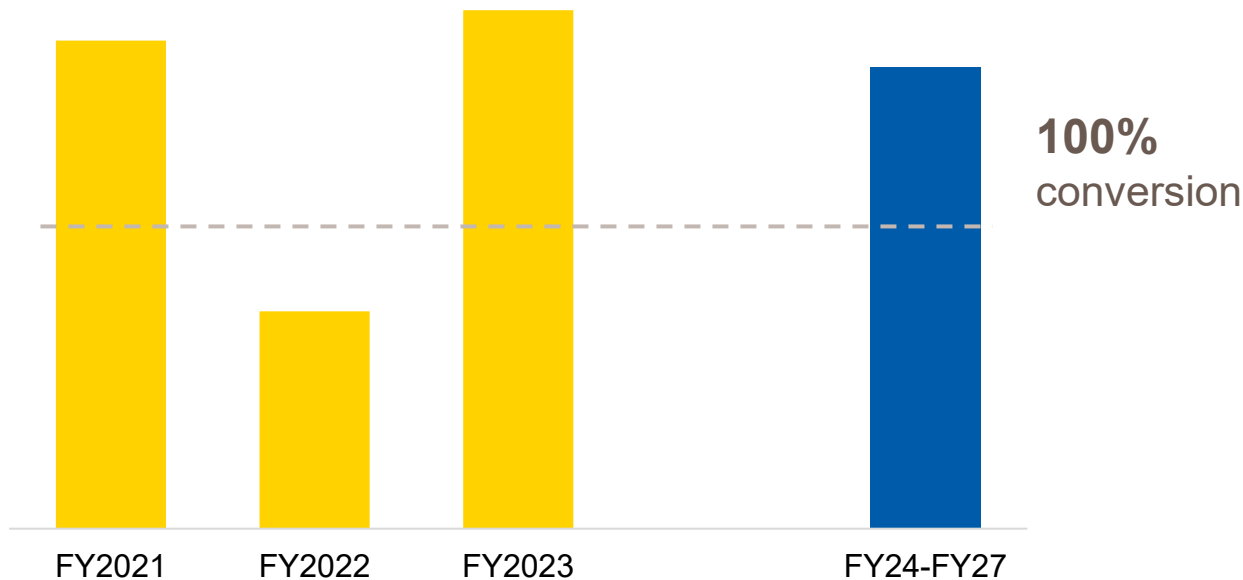
plant closures to further **reduce structural costs**

Business strategy driving profitable growth



Strong free operating cash flow >100% of adjusted net income

Free Operating Cash Flow Conversion



Demonstrated Capability

Cash conversion of 130% in FY23



Provides Significant Opportunity

Reinvest in the business to fund growth and reduce costs



Positioned for Flexibility

Ample cash flow to effectively fund our capital allocation priorities



Focus on Working Capital

Driving PWC to <30% through improved inventory management

Capital allocation maximizes shareholder value while funding growth

Maintain investment-grade credit rating

Strategic Growth Initiatives

Reinvesting in the business in support of organic, profitable growth and margin expansion

Opportunistic M&A

Disciplined approach to acquisitive growth

Dividends

Unbroken dividend streak

Share Repurchases

Offset dilution from compensation programs at minimum

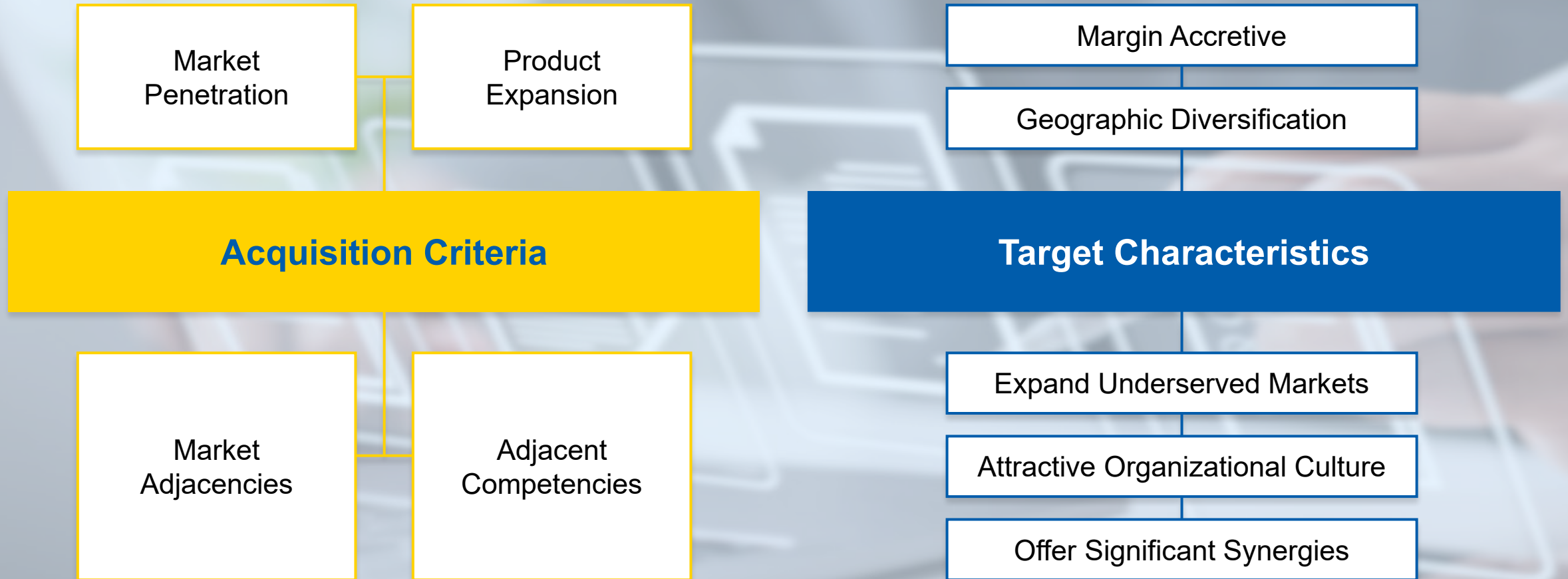
Positioned to drive long-term growth objectives

Consistent return of cash to shareholders

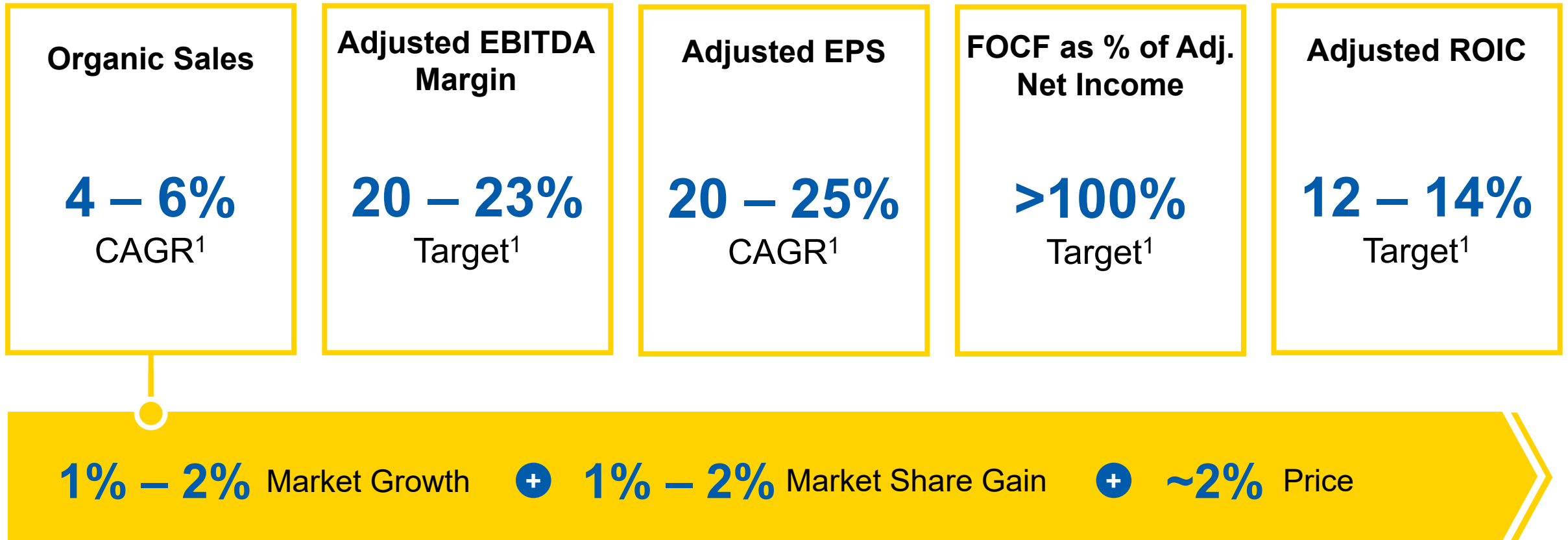
\$1.4B – \$1.6B

FY24 - FY27
Cumulative cash from operations

Disciplined M&A strategy to support growth



Go-forward strategy positions us to deliver growth, profitability, and strong returns through FY27



A compelling investment opportunity

Sustainable Competitive Advantages

- Deep customer insight and application expertise in core markets
- Materials Science and engineering expertise
- Advanced product development and innovative product portfolio

Above Market Growth

- Market-leading products serving diversified and expanded TAM
- End markets benefiting from global megatrends
- Disciplined innovation increasing speed to market

Margin Expansion and Strong FOCF

- Excellent operating leverage
- Improved productivity and working capital through volume, Operational Excellence and Capacity Optimization 2.0

Balanced Capital Allocation

- Invest in strategic initiatives
- Return cash to shareholders via dividends and stock repurchases
- Accelerate growth through inorganic investment
- Sustain investment-grade debt rating



Q&A

Closing Remarks

Christopher Rossi

President & CEO

A compelling investment opportunity

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- Sustain investment-grade debt rating



Appendix

Key Facts and Assumptions

MEDIUM-TERM TARGETS CONSIDER THE FOLLOWING ASSUMPTIONS

~2%

Price realization

Neutral

Foreign exchange

Adjusted
Effective
Tax Rate

~25%

Interest
Expense

~\$28M

Capital
Spending

**~\$100 -
\$120M**

Shares
outstanding

81 million

Primary
Working Capital
(% of sales)

<30%

throughout the cycle

Free Operating
Cash Flow
(FOCF)

>100%

of adjusted net income

Operating Expense
(% of sales)

<20%

by FY27

- + Inflationary environment returns to historical levels
- + Pricing for value covers, wage and general cost increases
- + Pension income neutral (non-cash)
- + Cash restructuring charges of \$100 million reflected over the cycle
- + Tungsten prices stable at current market level

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 through 2027 have not been provided, including but not limited to: FOCF, adjusted operating income, adjusted net income, adjusted EPS, adjusted ETR and primary working capital as a percentage of sales. 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 Effective Tax Rate (ETR), Adjusted Net Income Attributable to Kennametal and Adjusted EPS

The following GAAP financial measures have been presented on an adjusted basis: ETR, net income and EPS. Management adjusts for special items items in measuring internal performance to more readily compare the Company's financial performance period-to-period.

Organic Sales Growth

Organic sales growth is a non-GAAP financial measure of sales growth (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 on a consistent basis. Also, we report organic sales growth at the consolidated and segment levels.

Adjusted Return on Invested Capital

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 five 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.

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.

Non-GAAP Reconciliations (cont.)

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.

Primary Working Capital and Primary Working Capital as a Percentage of Sales Revenues

Primary Working Capital (PWC) is a non-GAAP financial measure and is defined by the Company 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. Primary Working Capital as a Percent of Sales (PWCPS) is defined by the Company as the average of the previous five quarters' PWC divided by the previous twelve months' sales. We believe PWC and PWCPS better represent Kennametal's performance in managing certain assets and liabilities controllable at the segment level and such measures are used as such for internal performance measurement.

(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.

Non-GAAP Reconciliations (cont.)

Organic Sales Growth - Metal Cutting	Three Months Ended								
	6/30/2023	3/31/2023	12/31/2022	9/30/2022	6/30/2022	3/31/2022	12/31/2021	9/30/2021	6/30/2021
Organic sales growth	10 %	10 %	11 %	9 %	7 %	5 %	7 %	19 %	30 %
Foreign currency exchange effect	(2)	(5)	(10)	(8)	(6)	(5)	—	2	6
Business days effect	(2)	1	(1)	—	—	2	(1)	(1)	1
Sales growth	6 %	6 %	— %	1 %	1 %	2 %	6 %	20 %	37 %

Adjusted EBITDA (\$ in millions)	Year ended June 30, 2023
Net income attributable to Kennametal, reported	\$ 118.5
Add back:	
Interest expense	28.5
Interest income	(0.9)
Provision for income taxes, reported	36.3
Depreciation	121.4
Amortization	12.6
EBITDA	\$ 316.4
Margin	15.2 %

Adjustments:	
Restructuring and related charges	6.6
Adjusted EBITDA	\$ 323.0
Adjusted Margin	15.5 %

Non-GAAP Reconciliations (cont.)

Adjusted Net Income Attributable to Kennametal (in millions)	Year ended June 30,		
	2023	2022	2021
Net income attributable to Kennametal, reported	\$ 118.5	\$ 144.6	\$ 54.4
Adjustments:			
Restructuring and related charges	5.2	2.7	34.2
Charges related to Russian and Ukrainian operations	—	2.7	—
Gain on New Castle divestiture	—	(0.8)	—
Discrete tax benefit	—	—	(9.3)
Effects from early extinguishment of debt	—	—	6.4
Partial annuitization of Canadian pension plans	—	—	2.1
Adjusted net income attributable to Kennametal	\$ 123.7	\$ 149.2	\$ 87.8

Free Operating Cash Flow (in millions)	Year ended June 30,		
	2023	2022	2021
Net cash flow provided by operating activities	\$ 257.9	\$ 181.4	\$ 235.7
Purchases of property, plant and equipment	(94.4)	(96.9)	(127.3)
Proceeds from disposals of property, plant and equipment	5.0	0.9	4.4
Free operating cash flow	\$ 168.6	\$ 85.4	\$ 112.8