



**FY24 Fourth Quarter
Earnings Call Presentation
August 7, 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 first 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 between Israel and Gaza, 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 Gaza; 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.”

Sales and earnings per share exceed expectations

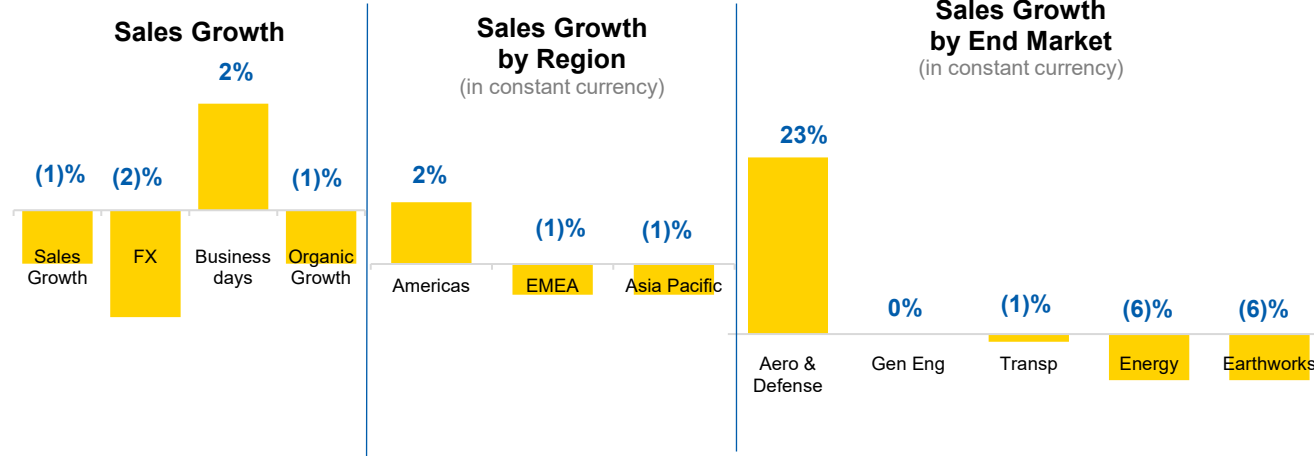
Earnings per share: Reported \$0.47; Adjusted \$0.49 (vs. \$0.45 reported and \$0.51 adjusted in prior year)

Lower volume

Partially Offset by Price and Strategic Initiatives

Sales of \$543M, (1)% organic decline year-over-year

- Metal Cutting flat and Infrastructure (2)%
- **Aero & Defense** – Strategic initiatives, market and project timing drive growth
- **General Engineering** – Project and order timing in Americas partially offset by lower economic activity in EMEA
- **Transportation** – Project timing and lower volume in Americas
- **Energy** – Project timing, lower rig count, and wind energy project delays
- **Earthworks** – Competitive market pressures in construction and lower blade sales



Price, raw materials & restructuring savings drive margins

Adjusted EBITDA of \$96 million at 17.7% margin up 100 bps against prior year

- Higher price and lower raw material costs in Metal Cutting
- \$7M of benefits from restructuring actions
- Price/raw timing in Infrastructure

Partially offset by;

- Lower sales and production volumes
- Higher wage and general inflation
- \$4M of charges associated with the tornado in Rogers
- Unfavorable foreign exchange

Metal Cutting adjusted operating margins up 80 bps

YoY; increased price, restructuring savings and lower raw material costs; partially offset by lower sales and production volumes, higher wages and foreign exchange

Infrastructure adjusted operating margin down 90 bps

YoY due to tornado impact, lower production volume, higher wages & general inflation and FX, partially offset by price/raw material timing, restructuring savings & IRA* related advanced manufacturing production credit

Returned \$38M to Shareholders

- **\$22 million** share repurchases and **\$16 million** dividends

* Inflation Reduction Act

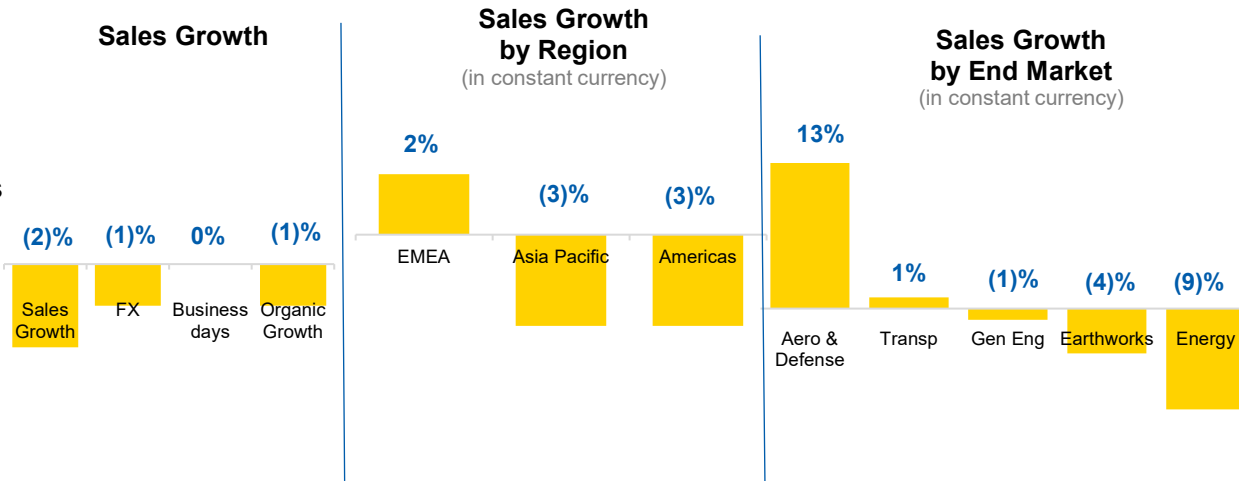
Sales reflect soft market conditions; record cash generation

Earnings per share: Reported \$1.37; Adjusted \$1.50 (vs. \$1.46 reported and \$1.52 adjusted in prior year)

Lower volume
Partially Offset by Price and Strategic Initiatives

Sales of \$2,047 million, (1)% organic decline YoY

- Metal Cutting 1% and Infrastructure (4)%
- **Aero & Defense** – Strategic initiatives and market drives growth
- **Transportation** – Project orders in EMEA offset by lower volumes in the Americas and Asia Pacific
- **General Engineering** – Lower production in EMEA and Americas
- **Earthworks** – Construction demand and underground mining
- **Energy** – Lower rig count in Americas and lower wind energy production



Volume and Price/raw timing pressure margins

Adjusted EBITDA of \$313 million at 15.3% margin down 20 bps from prior year

- Lower sales and production volumes
- Higher wages and general inflation
- \$4M of charges associated with the tornado in Rogers in Q4
- Unfavorable foreign exchange

Partially offset by;

- Higher price
- \$21M of benefits from restructuring savings
- Lower raw material costs

Metal Cutting adjusted operating margins down 10 bps YoY; lower sales and production volumes, higher wages and general inflation partially offset by price and restructuring savings

Infrastructure adjusted operating margin declined 180 bps YoY due to lower sales and production volumes, tornado impact, higher wages and general inflation, partially offset by lower raw material costs and restructuring savings

Returned \$129M to Shareholders

- **\$65 million** share repurchases and **\$63 million** dividends

Cash from operating activities of **\$277 million** versus **\$258 million** in prior year
FOCF of **\$175 million** versus **\$169 million** in prior year

Efficiently creating value for customers, creates value for all

Three Value Creation Pillars with Strong Foundation

DELIVERING GROWTH

Growing Above Market

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

CONTINUOUS IMPROVEMENT

Doing Things Better

- Operational Excellence
- Enterprise-wide Lean
- Business system & tools
- Expanding operating margins
- Improving cash flow

PORTFOLIO OPTIMIZATION

Right Products, Right Places

- Optimize product & business portfolio
- Improve ROIC
- Balanced allocation of capital
- Sustain investment-grade rating

Foundation: Engaged Employees, Our Core Values and a Winning Culture

Building Together

Safe Workplace

Engaged & Diverse Workforce

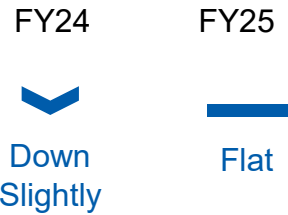
Efficient Business Processes

Organizational Capabilities

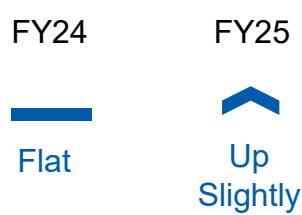
Mixed markets expected to continue; modest improvement in second half

Sales Assumptions at Outlook Midpoint

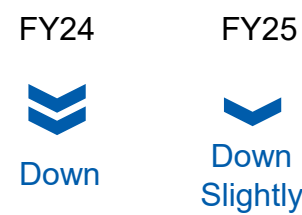
General Engineering



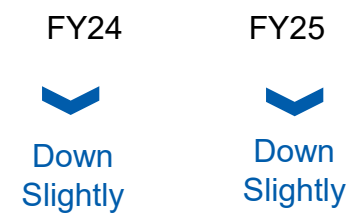
Transportation



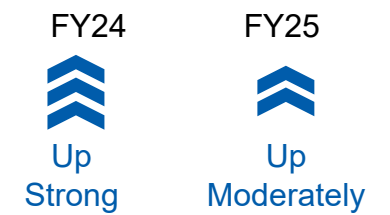
Energy



Earthworks



Aerospace & Defense



FY25 Market Factors

US S&P IPI forecast

- **FY24:** Flat
- **FY25:** Up slightly in 1H CY25

EMEA IPI forecast

- **FY24:** Down slightly
- **FY25:** Slight improvement 1H CY25

China PMI

- **FY24:** PMI approximately 50
- **FY25:** Flat at 50

Light vehicle production

- **FY24:** Per IHS production up 4% vs. prior year
- **FY25:** Per IHS production up 1% vs. prior year with improvement in 1H CY25

US Land based rig count

- **FY24:** Approximately 584 down from 667 in prior year
- **FY25:** Approximately 602 with growth occurring in 1H CY25

Customer US Sentiment

- **FY25:** Cautious 2H CY24, rig productivity is focus

Road Construction

- **FY24:** Normal seasonality with increased price sensitivity primarily in US
- **FY25:** Normal seasonality with improvement in 1H CY25, competitive pressures persist

Mining

- **FY25:** Declines in China and lower exports of US coal

Major OEM Build Rates

- **FY24:** Approximately 1,126 down from 1,153 in prior year reflecting production slowdown and supply chain challenges
- **FY25:** Up slightly with improvement in 1H CY25

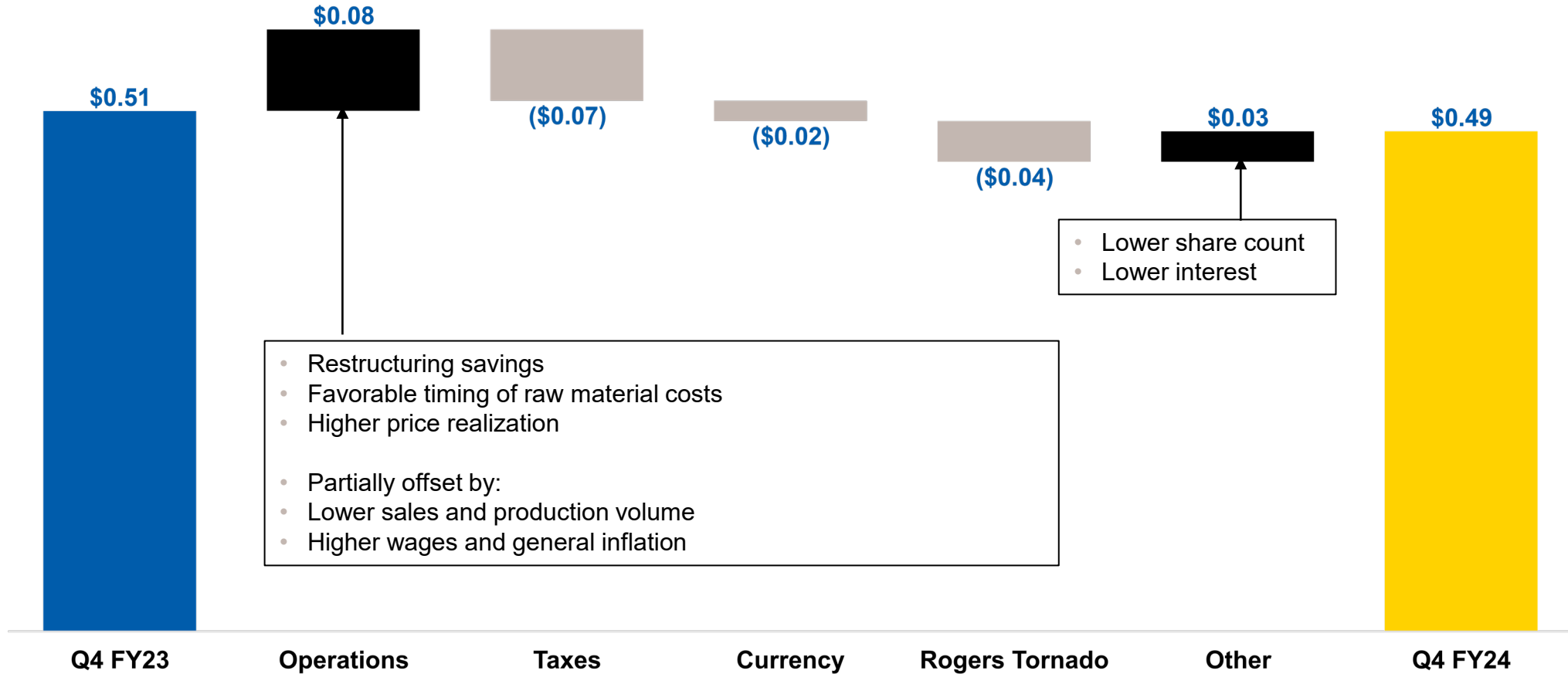
Defense

- **FY25:** Defense related orders expected to stay strong for the year

Higher cash flow despite continuation of soft macro environment

Quarter Ended (\$ in millions)	Change from PY	Adjusted		Reported	
		June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
Sales	(1)%	\$543	\$550	\$543	\$550
Organic		(1)%	7%	(1)%	7%
FX		(2)%	(2)%	(2)%	(2)%
Business Days		2%	(1)%	2%	(1)%
Gross Profit	(2)%	\$171	\$176	\$171	\$176
% of sales	(40) bps	31.5%	31.9%	31.5%	31.9%
Operating Expense	(4)%	\$106	\$110	\$105	\$110
% of sales	(50) bps	19.5%	20.0%	19.4%	20.0%
EBITDA	5%	\$96	\$92	\$95	\$85
% of sales	100 bps	17.7%	16.7%	17.5%	15.5%
Operating Income	flat	\$63	\$63	\$61	\$56
% of sales	10 bps	11.5%	11.4%	11.3%	10.2%
Effective Tax Rate	960 bps	29.3%	19.7%	30.7%	19.9%
EPS (Earnings per Diluted Share)	(4)%	\$0.49	\$0.51	\$0.47	\$0.45
Year-to-Date					
Net Cash Flow Provided By Operations	7%	\$277	\$258	\$277	\$258
Free Operating Cash Flow (FOCF)	4%	\$175	\$169	\$175	\$169
Return on Invested Capital (ROIC) %	(20) bps	7.6%	7.8%	7.0%	7.5%

Operational improvement offset by taxes, tornado and FX



Margin improvement on lower volume

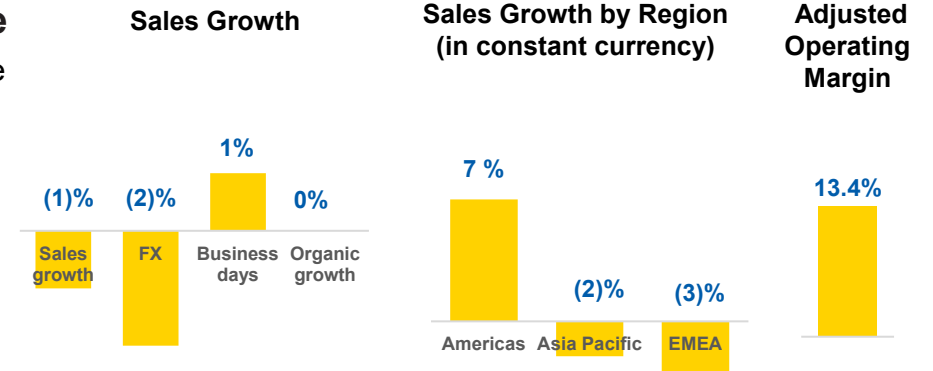
Flat Organic sales

Sales of \$335 million

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

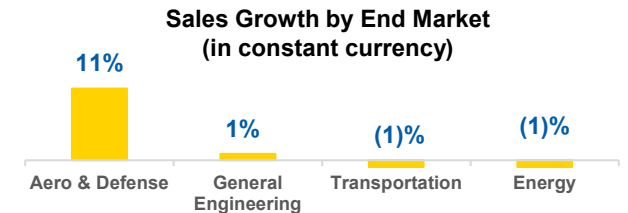
- **Adjusted operating margin of 13.4% up 80 bps from prior year**

- Margin improvement driven by price and restructuring benefits partially offset by lower sales and production volume, higher wages and general inflation and foreign exchange



Mixed end market results

- Aerospace & Defense strength driven by growth initiatives and market tailwinds
- General Engineering driven by strength in the Americas due to project timing
- Transportation down due to lower volumes and project timing
- Energy declines due to wind energy production



Commercial and Operational Excellence

Positioning for growth

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

Margins recovered; Aerospace & Defense partially offsets other markets

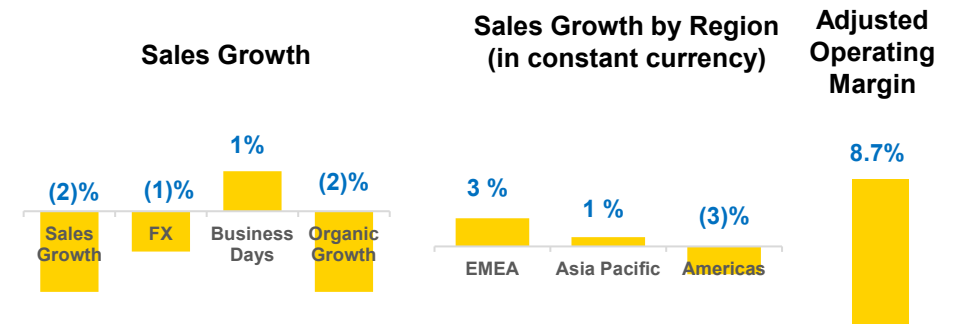
Organic sales decline 2%
Sales of \$209 million

Regional Sales

- EMEA – growth in Aerospace & Defense partially offset by energy
- Asia Pacific – growth in General Engineering offset by Earthworks
- Americas – Aerospace & Defense growth offset by decline in Earthworks, Energy and General Engineering

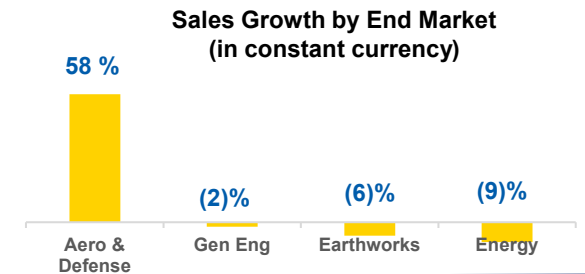
Adjusted operating margin of 8.7% below prior year 90 bps

- Tornado impact of \$4M
- Lower production volumes
- Partially offset by favorable timing of pricing vs. raw material cost, restructuring savings and the IRA* advanced manufacturing production credit



Energy weakness continued

- Aerospace & Defense growth driven by order timing
- General Engineering declined primarily due to lower volume in the Americas
- Earthworks decline due to competitive market pressures in construction & lower blade sales
- Energy declined due to project timing and lower US Land Based Rig count



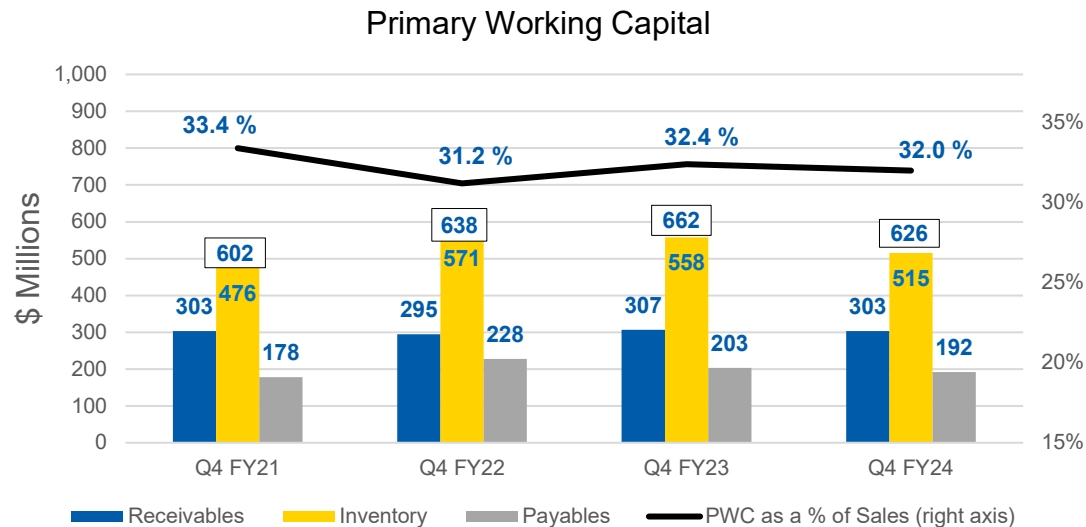
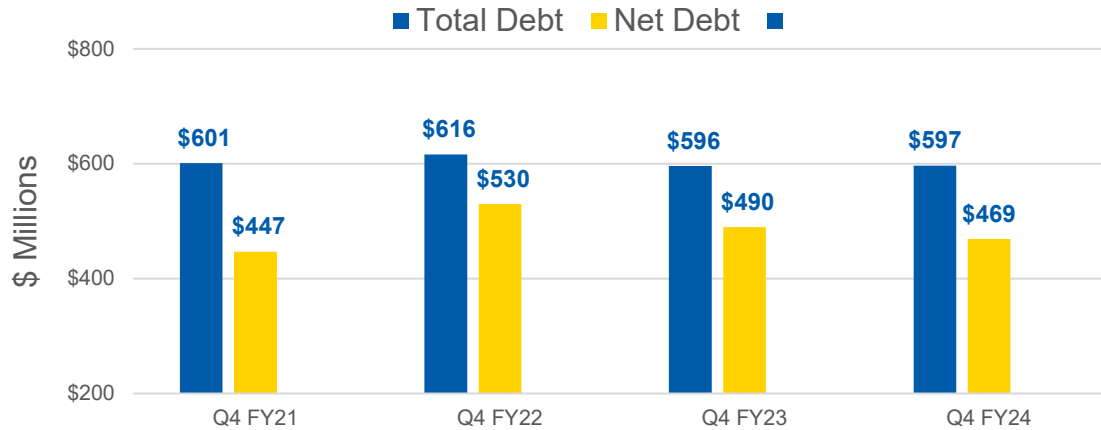
Commercial and Operational Excellence

Positioning for growth

- Share gains in strategic initiatives partially mitigating impact of market headwinds
- Focusing on Lean principles to drive operational efficiencies and cost savings
- Increasing customer service levels while optimizing inventory turns
- Strengthening organizational capabilities to deliver growth, operating margin expansion and improved working capital

* Inflation Reduction Act

Strong cash flow generation continues



Share Repurchases & Debt Profile

- Initial \$200M 3-year share repurchase program - ended June 2024
 - Q4: \$22M purchased; 857K shares
 - Since inception: \$200M purchased; 7.3M shares, ~9% shares outstanding
- \$200M 3-year share repurchase program – announced Feb 2024; no activity
- Debt profile
 - Two \$300M notes mature June 2028 & March 2031
 - \$700M revolver matures June 2027
 - Covenant ratio well within limits

Consolidated Results (\$ in millions)	FY24	FY23
Net Cash from Operating Activities	\$277	\$258
Capital Expenditures, Net	\$(102)	\$(89)
Free Operating Cash Flow (FOCF)	\$175	\$169
Dividends	\$(63)	\$(65)

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

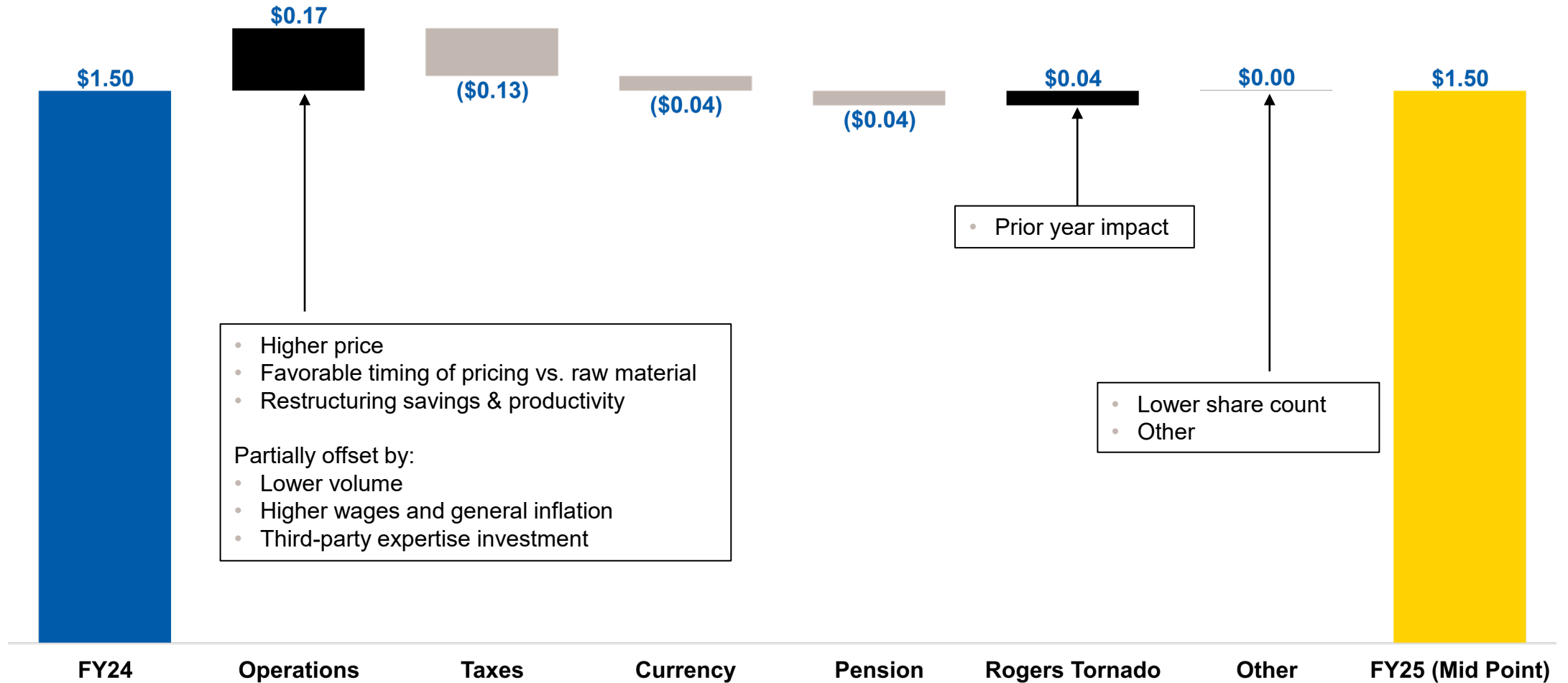


Pension (non-cash) headwind of ~\$4M compared to FY24
Foreign exchange headwind of ~\$4M compared to FY24



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

Operational improvement offset by higher tax rate and FX



Q1 FY25 Outlook

FY25 FIRST QUARTER OUTLOOK

Sales \$480 - \$500M		
~ (4)% - 1% Volume growth	~ 2% Price realization	~ (1)% 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: Slight growth	Energy: Slight decline	Aerospace & Defense: Moderate growth
General Engineering: Slight Decline	Earthworks: Decline	
- Pricing to cover raw material, wage and general cost increases on a dollar basis.
- Pension (non-cash) headwind of ~\$1M compared to Q1 FY24
Foreign exchange headwind of ~\$1M compared to Q1 FY24

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

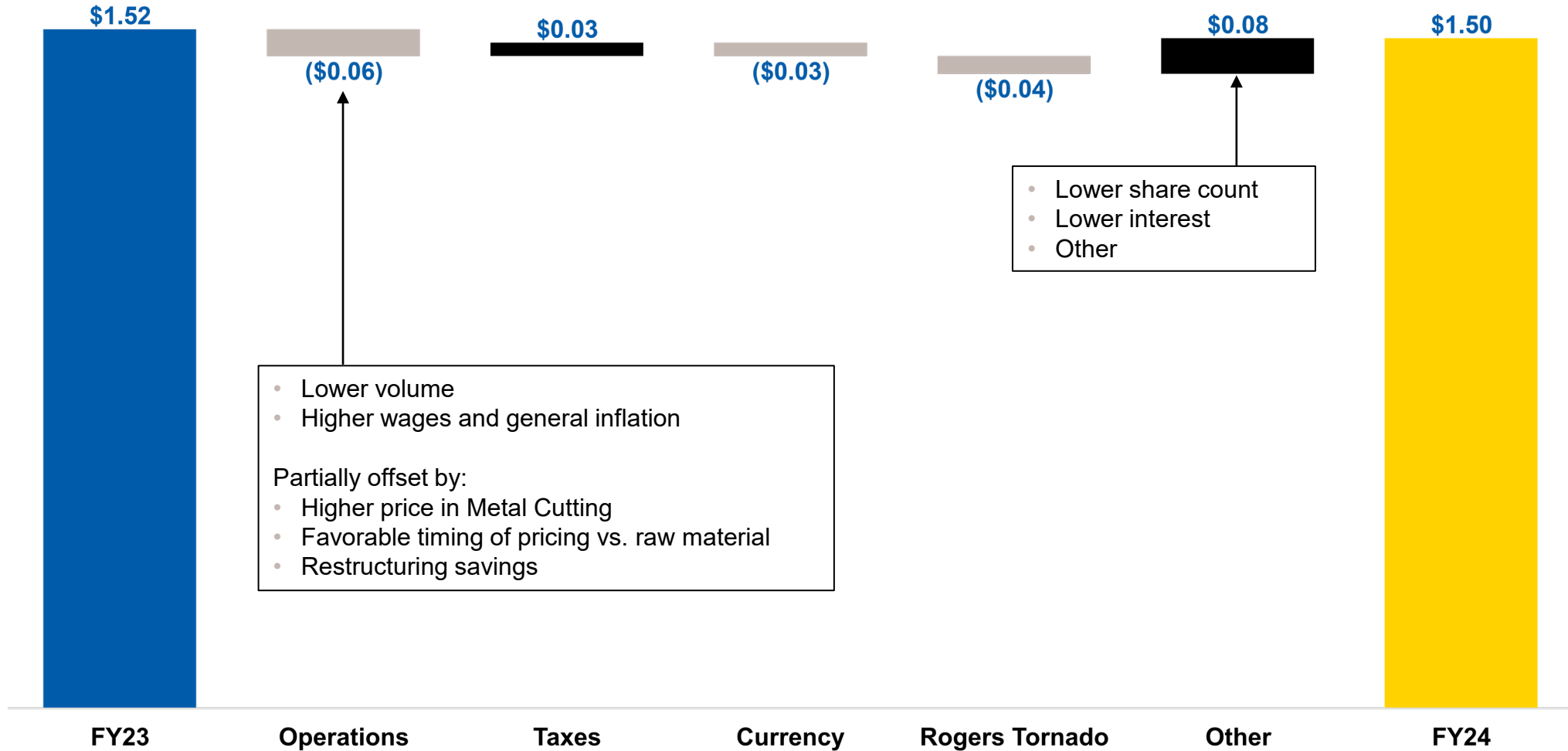
Balanced Capital Allocation

Appendix

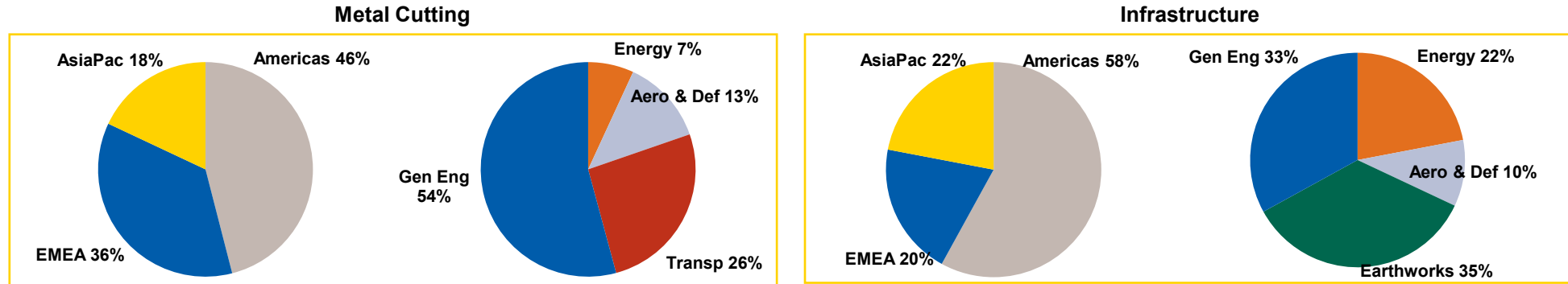
Higher cash flow; soft macro environment continues

Year Ended (\$ in millions)	Change from PY	Adjusted		Reported	
		June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
Sales	(2)%	\$2,047	\$2,078	\$2,047	\$2,078
Organic		(1)%	9%	(1)%	9%
FX		(1)%	(5)%	(1)%	(5)%
Business Days		0%	(1)%	0%	(1)%
Gross Profit	(3)%	\$627	\$646	\$627	\$646
% of sales	(50) bps	30.6%	31.1%	30.6%	31.1%
Operating Expense	(1)%	\$434	\$437	\$433	\$437
% of sales	20 bps	21.2%	21.0%	21.2%	21.0%
EBITDA	(3)%	\$313	\$323	\$300	\$316
% of sales	(20) bps	15.3%	15.5%	14.7%	15.2%
Operating Income	(8)%	\$183	\$199	\$170	\$192
% of sales	(70) bps	8.9%	9.6%	8.3%	9.3%
Effective Tax Rate	(160) bps	20.9%	22.5%	21.3%	22.7%
EPS (Earnings per Diluted Share)	(1)%	\$1.50	\$1.52	\$1.37	\$1.46
Year-to-Date					
Net Cash Flow Provided By Operations	7%	\$277	\$258	\$277	\$258
Free Operating Cash Flow (FOCF)	4%	\$175	\$169	\$175	\$169
Return on Invested Capital (ROIC) %	(20) bps	7.6%	7.8%	7.0%	7.5%

Lower volumes and inflation partially offset by lower interest and shares



Sales decline slightly due to end market conditions

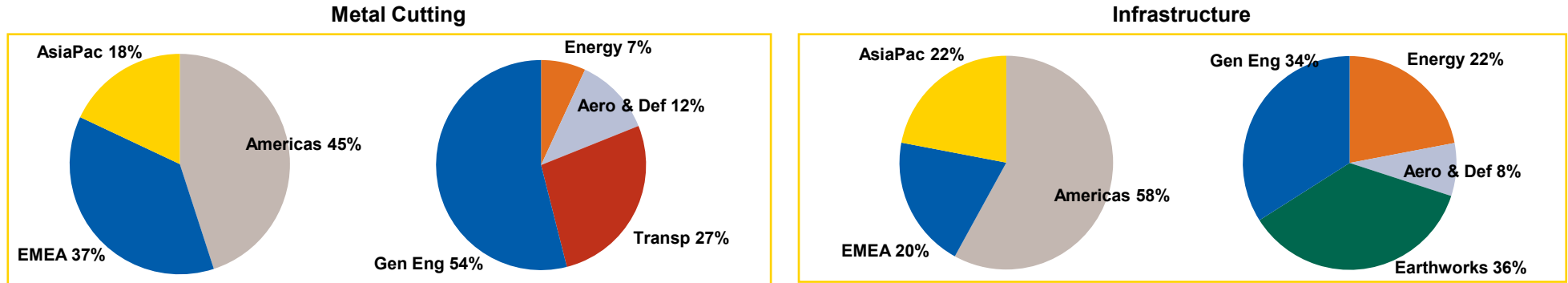


Quarter Ending June 30, 2024

(\$ in millions)

		Q4 FY24		
	% of KMT total	Metal Cutting	Infrastructure	Total
Sales		\$335	\$209	\$543
Organic		0%	(2)%	(1)%
FX		(2)%	(1)%	(2)%
Business Days		1%	1%	2%
Constant Currency Regional Growth:				
Americas	51%	7%	(3)%	2%
EMEA	30%	(3)%	3%	(1)%
AsiaPac	19%	(2)%	1%	(1)%
Constant Currency End Market Growth:				
General Engineering	46%	1%	(2)%	0%
Energy	12%	(1)%	(9)%	(6)%
Transportation	16%	(1)%	N/A	(1)%
Earthworks	14%	N/A	(6)%	(6)%
Aerospace & Defense	12%	11%	58%	23%
Adjusted Operating Income		\$45	\$18	\$63
Adjusted Operating Margin		13.4%	8.7%	11.5%

Market conditions offset price and strategic initiatives



Year Ending June 30, 2024

(\$ in millions)

		FY24		
	% of KMT total	Metal Cutting	Infrastructure	Total
Sales		\$1,281	\$766	\$2,047
Organic		1%	(4)%	(1)%
FX		0%	(1)%	(1)%
Business Days		0%	0%	0%
Constant Currency Regional Growth:				
Americas	49%	3%	(9)%	(3)%
EMEA	31%	2%	3%	2%
AsiaPac	20%	(4)%	0%	(2)%
Constant Currency End Market Growth:				
General Engineering	46%	0%	(6)%	(1)%
Energy	13%	(4)%	(12)%	(9)%
Transportation	17%	1%	N/A	1%
Earthworks	13%	N/A	(4)%	(4)%
Aerospace & Defense	11%	8%	26%	13%
Adjusted Operating Income		\$141	\$44	\$183
Adjusted Operating Margin		11.0%	5.7%	8.9%

Strong balance sheet

ASSETS (\$ in millions)	June 2024	June 2023
Cash and cash equivalents	\$128	\$106
Accounts receivable, net	303	307
Inventories	515	558
Other current assets	57	56
Total current assets	1,003	1,027
Property, plant and equipment, net	938	969
Goodwill and other intangible assets, net	353	363
Other assets	210	189
Total assets	\$2,504	\$2,547
LIABILITIES (\$ in millions)		
Revolving and other lines of credit and notes payable	\$1	\$1
Accounts payable	192	203
Other current liabilities	223	230
Total current liabilities	416	434
Long-term debt	596	595
Other liabilities	203	204
Total liabilities	1,215	1,233
Kennametal Shareowners' Equity	1,250	1,275
Noncontrolling interest	39	39
Total liabilities and equity	\$2,504	\$2,547

* Amounts may not sum due to rounding

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 – Q4

(\$ in millions, except percents and per share data)	Sales	Gross Profit	Operating Expense	Operating Income	Net Income ⁽⁵⁾	Diluted EPS	Effective Tax Rate
Q4 FY24 Reported Results	\$ 543.3	\$ 171.3	\$ 105.5	\$ 61.4	\$ 37.2	\$ 0.47	30.7 %
Reported Margins		31.5 %	19.4 %	11.3 %			
Restructuring and related charges	—	—	0.4	1.2	1.1	0.01	10.1
Differences in projected annual tax rates	—	—	—	—	0.5	0.01	(11.5)
Q4 FY24 Adjusted Results	\$ 543.3	\$ 171.3	\$ 105.9	\$ 62.6	\$ 38.8	\$ 0.49	29.3 %
Q4 FY24 Adjusted Margins		31.5 %	19.5 %	11.5 %			

⁽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
Q4 FY23 Reported Results	\$ 550.2	\$ 175.7	\$ 110.0	\$ 55.9	\$ 36.4	\$ 0.45	19.9 %
Reported Margins		31.9 %	20.0 %	10.2 %			
Restructuring and related charges	—	—	—	6.6	5.2	0.06	18.6
Differences in projected annual tax rates	—	—	—	—	—	—	(18.8)
Q4 FY23 Adjusted Results	\$ 550.2	\$ 175.7	\$ 110.0	\$ 62.5	\$ 41.7	\$ 0.51	19.7 %
Q4 FY23 Adjusted Margins		31.9 %	20.0 %	11.4 %			

Adjusted Results – Full Year

(\$ in millions, except percents and per share data)	Sales	Gross Profit	Operating Expense	Operating Income	Net Income ⁽⁵⁾	Diluted EPS	Effective Tax Rate
FY24 Reported Results	\$ 2,046.9	\$ 627.1	\$ 433.2	\$ 170.2	\$ 109.3	\$ 1.37	21.3 %
Reported Margins		30.6 %	21.2 %	8.3 %			
Restructuring and related charges	—	—	0.4	12.4	10.4	0.13	(0.4)
FY24 Adjusted Results	\$ 2,046.9	\$ 627.1	\$ 433.5	\$ 182.6	\$ 119.7	\$ 1.50	20.9 %
FY24 Adjusted Margins		30.6 %	21.2 %	8.9 %			

(\$ in millions, except percents and per share data)	Sales	Gross Profit	Operating Expense	Operating Income	Net Income ⁽⁵⁾	Diluted EPS	Effective Tax Rate
FY23 Reported Results	\$ 2,078.2	\$ 646.4	\$ 437.3	\$ 192.4	\$ 118.5	\$ 1.46	22.7 %
Reported Margins		31.1 %	21.0 %	9.3 %			
Restructuring and related charges	—	—	—	6.6	5.2	0.06	18.6
FY23 Adjusted Results	\$ 2,078.2	\$ 646.4	\$ 437.3	\$ 199.0	\$ 123.7	\$ 1.52	22.5 %
FY23 Adjusted Margins		31.1 %	21.0 %	9.6 %			

Adjusted EBITDA and EBITDA Margin

(\$ in millions)	Three months ended June 30,		Year ended June 30,	
	2024	2023	2024	2023
Net income attributable to Kennametal, reported	\$ 37.2	\$ 36.4	\$ 109.3	\$ 118.5
Add back:				
Interest expense	6.2	7.1	26.5	28.5
Interest income	(0.5)	(0.4)	(1.1)	(0.9)
Provision for income taxes, reported	16.9	9.4	30.8	36.3
Depreciation	32.3	29.7	123.1	121.4
Amortization	2.9	3.1	11.6	12.6
EBITDA	\$ 95.1	\$ 85.4	\$ 300.2	\$ 316.4
Margin	17.5 %	15.5 %	14.7 %	15.2 %
Adjustments:				
Restructuring and related charges	1.2	6.6	12.4	6.6
Adjusted EBITDA	\$ 96.3	\$ 92.0	\$ 312.5	\$ 323.0
Adjusted Margin	17.7 %	16.7 %	15.3 %	15.5 %

Adjusted Segment Operating Income and Margins – Q4 FY24

(\$ in millions, except percents)	Metal Cutting Sales	Metal Cutting Operating Income	Infrastructure Sales	Infrastructure Operating Income
Q4 FY24 Reported Results	\$ 334.5	\$ 44.1	\$ 208.8	\$ 17.8
Reported Operating Margin		13.2 %		8.5 %
Restructuring and related charges	—	0.8	—	0.4
Q4 FY24 Adjusted Results	\$ 334.5	\$ 44.9	\$ 208.8	\$ 18.2
Q4 FY24 Adjusted Operating Margin		13.4 %		8.7 %

(\$ in millions, except percents)	Metal Cutting Sales	Metal Cutting Operating Income	Infrastructure Sales	Infrastructure Operating Income
Q4 FY23 Reported Results	\$ 336.9	\$ 37.2	\$ 213.4	\$ 19.2
Reported Operating Margin		11.0 %		9.0 %
Restructuring and related charges	—	5.3	—	1.3
Charges related to Russian and Ukrainian operations	—	—	—	—
Q4 FY23 Adjusted Results	\$ 336.9	\$ 42.5	\$ 213.4	\$ 20.5
Q4 FY23 Adjusted Operating Margin		12.6 %		9.6 %

Adjusted Segment Operating Income and Margins – Full Year

(\$ in millions, except percents)	Metal Cutting Sales	Metal Cutting Operating Income	Infrastructure Sales	Infrastructure Operating Income
FY24 Reported Results	\$ 1,280.8	\$ 132.6	\$ 766.1	\$ 39.9
Reported Operating Margin		10.4 %		5.2 %
Restructuring and related charges	—	8.5	—	3.9
FY24 Adjusted Results	\$ 1,280.8	\$ 141.1	\$ 766.1	\$ 43.7
FY24 Adjusted Operating Margin		11.0 %		5.7 %

(\$ in millions, except percents)	Metal Cutting Sales	Metal Cutting Operating Income	Infrastructure Sales	Infrastructure Operating Income
FY23 Reported Results	\$ 1,269.8	\$ 135.8	\$ 808.4	\$ 59.8
Reported Operating Margin		10.7 %		7.4 %
Restructuring and related charges	—	5.3	—	1.3
FY23 Adjusted Results	\$ 1,269.8	\$ 141.1	\$ 808.4	\$ 61.0
FY23 Adjusted Operating Margin		11.1 %		7.5 %

Organic Sales Growth (Decline) – Q4 and Full Year

Three months ended June 30, 2024	Metal Cutting	Infrastructure	Kennametal
Organic sales decline	— %	(2)%	(1)%
Foreign currency exchange effect	(2)	(1)	(2)
Business days effect	1	1	2
Sales decline	(1)%	(2)%	(1)%

Three months ended June 30, 2023	Metal Cutting	Infrastructure	Kennametal
Organic sales growth	10 %	3 %	7 %
Foreign currency exchange effect	(2)	(2)	(2)
Business days effect	(2)	(1)	(1)
Sales growth	6 %	— %	4 %

Year ended June 30, 2024	Metal Cutting	Infrastructure	Kennametal
Organic sales growth (decline)	1 %	(4)%	(1)%
Foreign currency exchange effect	—	(1)	(1)
Sales growth (decline)	1 %	(5)%	(2)%

Year ended June 30, 2023	Metal Cutting	Infrastructure	Kennametal
Organic sales growth	10 %	7 %	9 %
Foreign currency exchange effect	(6)	(4)	(5)
Business days effect	(1)	—	(1)
Sales growth	3 %	3 %	3 %

Constant Currency Regional Sales Growth (Decline) – Q4 FY24

Metal Cutting			
Three months ended June 30, 2024			
	Americas	EMEA	Asia Pacific
Constant currency regional sales growth (decline)	7 %	(3)%	(2)%
Foreign currency exchange effect	(2)	(2)	(3)
Regional sales growth (decline)	5 %	(5)%	(5)%

Infrastructure			
Three months ended June 30, 2024			
	Americas	EMEA	Asia Pacific
Constant currency regional sales (decline) growth	(3)%	3 %	1 %
Foreign currency exchange effect	(1)	(1)	(2)
Regional sales (decline) growth	(4)%	2 %	(1)%

Kennametal			
Three months ended June 30, 2024			
	Americas	EMEA	Asia Pacific
Constant currency regional sales growth (decline)	2 %	(1)%	(1)%
Foreign currency exchange effect	(1)	(2)	(3)
Regional sales growth (decline)	1 %	(3)%	(4)%

Constant Currency Regional Sales Growth (Decline) – Q4 FY23

Metal Cutting			
Three months ended June 30, 2023			
	Americas	EMEA	Asia Pacific
Constant currency regional sales growth	8 %	12 %	1 %
Foreign currency exchange effect	—	(1)	(6)
Regional sales growth (decline)	8 %	11 %	(5)%

Infrastructure			
Three months ended June 30, 2023			
	Americas	EMEA	Asia Pacific
Constant currency regional sales (decline) growth	(2)%	13 %	4 %
Foreign currency exchange effect	—	(4)	(5)
Regional sales (decline) growth	(2)%	9 %	(1)%

Kennametal			
Three months ended June 30, 2023			
	Americas	EMEA	Asia Pacific
Constant currency regional sales growth	3 %	12 %	3 %
Foreign currency exchange effect	—	(1)	(6)
Regional sales growth (decline)	3 %	11 %	(3)%

Constant Currency Regional Sales Growth (Decline) – Full Year FY24

Metal Cutting			
Year ended June 30, 2024	Americas	EMEA	Asia Pacific
Constant currency regional sales growth (decline)	3 %	2 %	(4)%
Foreign currency exchange effect	(1)	2	(3)
Regional sales growth (decline)	2 %	4 %	(7)%

Infrastructure			
Year ended June 30, 2024	Americas	EMEA	Asia Pacific
Constant currency regional sales (decline) growth	(9)%	3 %	— %
Foreign currency exchange effect	—	1	(3)
Regional sales (decline) growth	(9)%	4 %	(3)%

Kennametal			
Year ended June 30, 2024	Americas	EMEA	Asia Pacific
Constant currency regional sales (decline) growth	(3)%	2 %	(3)%
Foreign currency exchange effect	—	2	(2)
Regional sales (decline) growth	(3)%	4 %	(5)%

Constant Currency Regional Sales Growth (Decline) – Full Year FY23

Metal Cutting			
Year ended June 30, 2023	Americas	EMEA	Asia Pacific
Constant currency regional sales growth	12 %	10 %	2 %
Foreign currency exchange effect	—	(10)	(8)
Regional sales growth (decline)	12 %	— %	(6)%

Infrastructure			
Year ended June 30, 2023	Americas	EMEA	Asia Pacific
Constant currency regional sales growth	5 %	15 %	5 %
Foreign currency exchange effect	(1)	(11)	(7)
Regional sales growth (decline)	4 %	4 %	(2)%

Kennametal			
Year ended June 30, 2023	Americas	EMEA	Asia Pacific
Constant currency regional sales growth	9 %	11 %	3 %
Foreign currency exchange effect	(1)	(10)	(7)
Regional sales growth (decline)	8 %	1 %	(4)%

Constant Currency End Market Sales Growth (Decline) – Q4 FY24

Metal Cutting

Three months ended June 30, 2024	Energy	General Engineering	Aerospace & Defense	Transportation
Constant currency end market sales (decline) growth	(1)%	1 %	11 %	(1)%
Foreign currency exchange effect	(1)	(3)	(2)	(1)
End market sales (decline) growth	(2)%	(2)%	9 %	(2)%

Infrastructure

Three months ended June 30, 2024	Energy	General Engineering	Aerospace & Defense	Earthworks
Constant currency end market sales (decline) growth	(9)%	(2)%	58 %	(6)%
Foreign currency exchange effect	—	(1)	(1)	(1)
End market sales (decline) growth	(9)%	(3)%	57 %	(7)%

Kennametal

Three months ended June 30, 2024	Energy	General Engineering	Aerospace & Defense	Transportation	Earthworks
Constant currency end market sales (decline) growth	(6)%	— %	23 %	(1)%	(6)%
Foreign currency exchange effect	(1)	(2)	(2)	(1)	(1)
End market sales (decline) growth	(7)%	(2)%	21 %	(2)%	(7)%

Constant Currency End Market Sales Growth (Decline) – Q4 FY23

Metal Cutting

Three months ended June 30, 2023	Energy	General Engineering	Aerospace & Defense	Transportation
Constant currency end market sales growth	3 %	7 %	19 %	7 %
Foreign currency exchange effect	(2)	(2)	(2)	(1)
End market sales growth	1 %	5 %	17 %	6 %

Infrastructure

Three months ended June 30, 2023	Energy	General Engineering	Aerospace & Defense	Earthworks
Constant currency end market sales growth (decline)	7 %	5 %	(4)%	(1)%
Foreign currency exchange effect	—	(2)	—	(5)
End market sales growth (decline)	7 %	3 %	(4)%	(6)%

Kennametal

Three months ended June 30, 2023	Energy	General Engineering	Aerospace & Defense	Transportation	Earthworks
Constant currency end market sales growth (decline)	6 %	7 %	12 %	7 %	(1)%
Foreign currency exchange effect	(1)	(2)	(1)	(1)	(5)
End market sales growth (decline)	5 %	5 %	11 %	6 %	(6)%

Constant Currency End Market Sales Growth (Decline) – Full Year FY24

Metal Cutting

Year ended June 30, 2024	Energy	General Engineering	Aerospace & Defense	Transportation
Constant currency end market sales (decline) growth	(4)%	— %	8 %	1 %
Foreign currency exchange effect	1	—	—	—
End market sales (decline) growth	(3)%	— %	8 %	1 %

Infrastructure

Year ended June 30, 2024	Energy	General Engineering	Aerospace & Defense	Earthworks
Constant currency end market sales (decline) growth	(12)%	(6)%	26 %	(4)%
Foreign currency exchange effect	1	—	2	(1)
End market sales (decline) growth	(11)%	(6)%	28 %	(5)%

Kennametal

Year ended June 30, 2024	Energy	General Engineering	Aerospace & Defense	Transportation	Earthworks
Constant currency end market sales (decline) growth	(9)%	(1)%	13 %	1 %	(4)%
Foreign currency exchange effect	—	(1)	—	—	(1)
End market sales (decline) growth	(9)%	(2)%	13 %	1 %	(5)%

Constant Currency End Market Sales Growth (Decline) – Full Year FY23

Metal Cutting

Year ended June 30, 2023	Energy	General Engineering	Aerospace & Defense	Transportation
Constant currency end market sales growth	4 %	8 %	22 %	8 %
Foreign currency exchange effect	(5)	(5)	(5)	(7)
End market sales (decline) growth	(1)%	3 %	17 %	1 %

Infrastructure

Year ended June 30, 2023	Energy	General Engineering	Aerospace & Defense	Earthworks
Constant currency end market sales growth (decline)	14 %	6 %	(6)%	5 %
Foreign currency exchange effect	—	(4)	(3)	(5)
End market sales growth (decline)	14 %	2 %	(9)%	— %

Kennametal

Year ended June 30, 2023	Energy	General Engineering	Aerospace & Defense	Transportation	Earthworks
Constant currency end market sales growth	11 %	7 %	14 %	8 %	5 %
Foreign currency exchange effect	(2)	(5)	(4)	(7)	(5)
End market sales growth	9 %	2 %	10 %	1 %	— %

Net Debt and Free Operating Cash Flow

Net Debt (in millions)	Year ended			
	6/30/2024	6/30/2023	6/30/2022	6/30/2021
Total debt (gross)	\$ 597.4	\$ 595.9	\$ 615.6	\$ 600.5
Less: cash and cash equivalents	128.0	106.0	85.6	154.0
Net debt	\$ 469.4	\$ 489.9	\$ 530.0	\$ 446.5

(in millions)	Year ended June 30,	
	2024	2023
Net cash flow provided by operating activities	\$ 277.1	\$ 257.9
Purchases of property, plant and equipment	(107.6)	(94.4)
Proceeds from disposals of property, plant and equipment	5.4	5.0
Free operating cash flow	\$ 175.0	\$ 168.6

Primary Working Capital – FY24

(in thousands, except percents)	6/30/2024	3/31/2024	12/31/2023	9/30/2023	6/30/2023	Average
Current assets	\$ 1,002,592	\$ 999,937	\$ 1,009,820	\$ 1,010,555	\$ 1,026,789	
Current liabilities	415,961	413,245	414,108	419,846	433,975	
Working capital, GAAP	\$ 586,631	\$ 586,692	\$ 595,712	\$ 590,709	\$ 592,814	
Excluding items:						
Cash and cash equivalents	(127,971)	(92,119)	(90,735)	(95,098)	(106,021)	
Other current assets	(57,179)	(56,708)	(57,753)	(56,457)	(55,825)	
Total excluded current assets	(185,150)	(148,827)	(148,488)	(151,555)	(161,846)	
Adjusted current assets	817,442	851,110	861,332	859,000	864,943	
Revolving and other lines of credit and notes payable	(1,377)	(12,302)	(23,315)	(31,179)	(689)	
Other current liabilities	(223,043)	(208,174)	(197,791)	(191,298)	(229,945)	
Total excluded current liabilities	(224,420)	(220,476)	(221,106)	(222,477)	(230,634)	
Adjusted current liabilities	191,541	192,769	193,002	197,369	203,341	
Primary working capital	\$ 625,901	\$ 658,341	\$ 668,330	\$ 661,631	\$ 661,602	\$ 655,161
	Three Months Ended					
		6/30/2024	3/31/2024	12/31/2023	9/30/2023	Total
Sales		\$ 543,308	\$ 515,794	\$ 495,320	\$ 492,476	\$ 2,046,898
Primary working capital as a percentage of sales						32.0 %

Primary Working Capital – FY23

(in thousands, except percents)	6/30/2023	3/31/2023	12/31/2022	9/30/2022	6/30/2022	Average
Current assets	\$ 1,026,789	\$ 1,079,035	\$ 1,048,303	\$ 1,011,486	\$ 1,024,708	
Current liabilities	433,975	488,729	494,334	497,488	485,610	
Working capital, GAAP	\$ 592,814	\$ 590,306	\$ 553,969	\$ 513,998	\$ 539,098	
Excluding items:						
Cash and cash equivalents	(106,021)	(93,474)	(76,784)	(64,568)	(85,586)	
Other current assets	(55,825)	(76,607)	(74,723)	(76,732)	(72,940)	
Total excluded current assets	(161,846)	(170,081)	(151,507)	(141,300)	(158,526)	
Adjusted current assets	864,943	908,954	896,796	870,186	866,182	
Revolving and other lines of credit and notes payable	(689)	(64,055)	(78,805)	(85,239)	(21,186)	
Other current liabilities	(229,945)	(227,516)	(208,807)	(206,309)	(236,537)	
Total excluded current liabilities	(230,634)	(291,571)	(287,612)	(291,548)	(257,723)	
Adjusted current liabilities	203,341	197,158	206,722	205,940	227,887	
Primary working capital	\$ 661,602	\$ 711,796	\$ 690,074	\$ 664,246	\$ 638,295	\$ 673,203
	Three Months Ended					
	6/30/2023	3/31/2023	12/31/2022	9/30/2022	Total	
Sales	\$ 550,234	\$ 536,036	\$ 497,121	\$ 494,792	\$ 2,078,183	
Primary working capital as a percentage of sales						32.4 %

Primary Working Capital – FY22

(in thousands, except percents)	6/30/2022	3/31/2022	12/31/2021	9/30/2021	6/30/2021	Average
Current assets	\$ 1,024,708	\$ 1,043,241	\$ 984,201	\$ 966,948	\$ 1,004,807	
Current liabilities	485,610	460,365	410,983	389,223	437,394	
Working capital, GAAP	\$ 539,098	\$ 582,876	\$ 573,218	\$ 577,725	\$ 567,413	
Excluding items:						
Cash and cash equivalents	(85,586)	(99,982)	(101,799)	(107,316)	(154,047)	
Other current assets	(72,940)	(69,582)	(76,794)	(74,906)	(71,470)	
Total excluded current assets	(158,526)	(169,564)	(178,593)	(182,222)	(225,517)	
Adjusted current assets	866,182	873,677	805,608	784,726	779,290	
Revolving and other lines of credit and notes payable	(21,186)	(28,736)	(12,228)	(368)	(8,365)	
Other current liabilities	(236,537)	(233,942)	(212,898)	(211,778)	(251,370)	
Total excluded current liabilities	(257,723)	(262,678)	(225,126)	(212,146)	(259,735)	
Adjusted current liabilities	227,887	197,687	185,857	177,077	177,659	
Primary working capital	\$ 638,295	\$ 675,990	\$ 619,751	\$ 607,649	\$ 601,631	\$ 628,663
	Three Months Ended					
	6/30/2022	3/31/2022	12/31/2021	9/30/2021	Total	
Sales	\$ 530,016	\$ 512,259	\$ 486,673	\$ 483,509	\$ 2,012,457	
Primary working capital as a percentage of sales						31.2 %

Primary Working Capital – FY21

(in thousands, except percents)	6/30/2021	3/31/2021	12/31/2020	9/30/2020	6/30/2020	Average
Current assets	\$ 1,004,807	\$ 966,916	\$ 948,686	\$ 935,721	\$ 1,440,812	
Current liabilities	437,394	425,553	402,641	415,573	898,080	
Working capital, GAAP	\$ 567,413	\$ 541,363	\$ 546,045	\$ 520,148	\$ 542,732	
Excluding items:						
Cash and cash equivalents	(154,047)	(114,307)	(103,188)	(98,290)	(606,684)	
Other current assets	(71,470)	(73,235)	(73,123)	(78,700)	(73,698)	
Total excluded current assets	(225,517)	(187,542)	(176,311)	(176,990)	(680,382)	
Adjusted current assets	779,290	779,374	772,375	758,731	760,430	
Revolving and other lines of credit and notes payable	(8,365)	(18,745)	(34,979)	(46,458)	(500,368)	
Other current liabilities	(251,370)	(242,327)	(233,509)	(233,039)	(233,071)	
Total excluded current liabilities	(259,735)	(261,072)	(268,488)	(279,497)	(733,439)	
Adjusted current liabilities	177,659	164,481	134,153	136,076	164,641	
Primary working capital	\$ 601,631	\$ 614,893	\$ 638,222	\$ 622,655	\$ 595,789	\$ 614,638
	Three Months Ended					
	6/30/2021	3/31/2021	12/31/2020	9/30/2020	Total	
Sales	\$ 515,971	\$ 484,658	\$ 440,507	\$ 400,305	\$ 1,841,441	
Primary working capital as a percentage of sales						33.4 %

Adjusted ROIC – FY24

(in thousands, except percents)	6/30/2024	3/31/2024	12/31/2023	9/30/2023	6/30/2023	Average
Total debt (gross)	\$ 595,861	\$ 608,080	\$ 618,891	\$ 626,553	\$ 595,861	\$ 609,049
Total equity	1,288,599	1,305,894	1,328,104	1,298,751	1,314,168	1,307,103
Total invested capital	\$ 1,884,460	\$ 1,913,974	\$ 1,946,995	\$ 1,925,304	\$ 1,910,029	\$ 1,916,152

	Three months ended				
	6/30/2024	3/31/2024	12/31/2023	9/30/2023	Total
Interest expense	\$ 6,247	\$ 6,777	\$ 6,847	\$ 6,601	\$ 26,472
Less: income tax benefit					(6,221)
Total interest expense, net of tax					\$ 20,251

	Year ended 6/30/2024	
Net income attributable to Kennametal	\$ 109,323	
Noncontrolling interest	4,318	
Total interest expense, net of tax	20,251	
	\$ 133,892	
Average invested capital		\$ 1,916,152
Return on Invested Capital		7.0 %
Adjustments:		
Restructuring and related charges	\$ 12,372	
	146,264	
Average invested capital		\$ 1,916,152
Adjusted Return on Invested Capital		7.6 %

Adjusted ROIC – FY23

(in thousands, except percents)	6/30/2023	3/31/2023	12/31/2022	9/30/2022	6/30/2022	Average
Total debt (gross)	\$ 595,861	\$ 659,025	\$ 673,573	\$ 679,805	\$ 615,500	\$ 644,753
Total equity	1,314,169	1,316,316	1,289,201	1,238,344	1,291,247	1,289,855
Total invested capital	\$ 1,910,030	\$ 1,975,341	\$ 1,962,774	\$ 1,918,149	\$ 1,906,747	\$ 1,934,608

	Three months ended				
	6/30/2023	3/31/2023	12/31/2022	9/30/2022	Total
Interest expense	\$ 7,096	\$ 7,747	\$ 7,015	\$ 6,638	\$ 28,496
Less: income tax benefit					(6,697)
Total interest expense, net of tax					\$ 21,799

	Year ended 6/30/2023	
Net income attributable to Kennametal	\$ 118,459	
Noncontrolling interest	4,907	
Total interest expense, net of tax	21,799	
	\$ 145,165	
Average invested capital		\$ 1,934,608
Return on Invested Capital		7.5 %
Adjustments:		
Restructuring and related charges	\$ 6,605	
	151,770	
Average invested capital		\$ 1,934,608
Adjusted Return on Invested Capital		7.8 %