
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

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

Date of report (Date of earliest event reported): June 4, 2020

Kennametal Inc.

(Exact Name of Registrant as Specified in Its Charter)

Pennsylvania

1-5318

25-0900168

(State or Other Jurisdiction of Incorporation)

(Commission File Number)

(IRS Employer Identification No.)

525 William Penn Place

Suite 3300

Pittsburgh, Pennsylvania

15219

(Address of Principal Executive Offices)

(Zip Code)

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

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2). Emerging growth company

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

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

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

Item 2.05 Costs Associated with Exit or Disposal Activities.

On June 9, 2020, as part of its ongoing Simplification/Modernization initiative, Kennametal Inc. ("Kennametal" or "the Company") announced the acceleration of its structural cost reduction plans. A permanent workforce reduction of approximately 10 percent of salaried employees globally is expected to be substantially complete in the first half of fiscal 2021. This action was approved by the Board of Directors of Kennametal on June 4, 2020. Accordingly, the Company is increasing the estimated annualized benefits of its FY21 Restructuring Actions to \$65 million to \$75 million from \$25 million to \$30 million and the expected pre-tax charges to \$90 million to \$100 million from \$55 million to \$60 million. These additional costs are expected to be primarily severance-related cash expenditures.

Item 5.02 Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers; Compensatory Arrangements of Certain Officers.*(e) Compensatory Arrangements of Certain Officers*

On June 9, 2020, Kennametal announced that due to ongoing market headwinds the Company is experiencing from COVID-19, our executive officers will be reducing their base salaries by 20 percent beginning July 1, 2020. These salary reductions are expected to be in effect for six months.

Item 8.01 Other Events.

In addition to the above, the Board of Directors met on June 4, 2020 and approved a temporary cash retainer reduction for non-employee directors in the amount of 20 percent, effective as of July 1, 2020. This reduction is expected to be in effect for six months. The Board of Directors may review, change or end the temporary cash retainer reduction at its discretion in the future.

Item 9.01 Financial Statements and Exhibits.*(d) Exhibits*

99.1 [Press Release dated June 9, 2020](#)

Signatures

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

KENNAMETAL INC.

Date: June 9, 2020

By: /s/ Damon J. Audia
Damon J. Audia
Vice President and Chief
Financial Officer

PRESS RELEASE

**FOR IMMEDIATE RELEASE:**

DATE: June 9, 2020

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Kennametal Accelerates Structural Changes from Simplification/Modernization; Outlines Cost-Control Actions to Mitigate COVID-19 Headwinds

- Accelerating Simplification/Modernization initiative; increasing annualized benefits of FY21 Restructuring Actions to \$65 million to \$75 million
- Continuing temporary cost-control actions of approximately \$10 million to \$15 million per quarter beginning July 1 to mitigate market effects of COVID-19

PITTSBURGH, June 9, 2020 - Kennametal Inc. (NYSE: KMT) today is providing an update on its ongoing Simplification/Modernization initiative. In addition, it is announcing continuing cost-control actions to mitigate the lower market conditions associated with COVID-19.

Simplification/Modernization

As part of its ongoing Simplification/Modernization initiative, the Company is accelerating its structural cost reduction plans. A restructuring of approximately 10 percent of salaried employees globally is expected to be substantially complete in the first half of fiscal 2021.

“Within our Simplification/Modernization initiative, the current market conditions provide an opportunity to accelerate our plans for reducing structural costs while improving the effectiveness of our commercial functions and manufacturing operations. The acceleration will lead to increased savings by the end of fiscal year 2021. Also, as volume increases, we will be able to leverage this structure and our modernized manufacturing processes for even more productivity,” said President and CEO Christopher Rossi.

Accordingly, the Company is increasing the estimated annualized benefits of its FY21 Restructuring Actions to \$65 million to \$75 million from \$25 million to \$30 million and the pre-tax charges to \$90 million to \$100 million from \$55 million to \$60 million.

Temporary Cost-Control Actions

Effective July 1, the Company is implementing the following cost-control actions to mitigate headwinds from COVID-19:

- Compensation of salaried employees will temporarily be reduced by 10 to 20 percent based on job level through the first half of fiscal 2021. This action is expected to save approximately \$10 million to \$15 million per quarter, which is similar in amount to and replaces furloughs or similar actions currently in place for salaried employees.
- Kennametal's Board of Directors cash compensation will be reduced by 20 percent through the first half of fiscal 2021.
- The Company will continue temporary shutdowns and reduced production schedules to align manufacturing capacity to anticipated customer demand.

Rossi continued, "Based on our April and May sales, we expect economic weakness will persist, and we need to continue to maintain these types of temporary cost-control actions until we begin to see markets recover. The steps we are announcing today and the ongoing work we are doing in Simplification/Modernization position us well for long-term success. Even so, these are difficult decisions as they touch every one of our employees, especially those who will be leaving Kennametal, and we are committed to supporting them throughout this transition."

About Kennametal

With over 80 years as an industrial technology leader, Kennametal Inc. delivers productivity to customers through materials science, tooling, and wear-resistant solutions. Customers across aerospace, earthworks, energy, general engineering, and transportation turn to Kennametal to help them manufacture with precision and efficiency. Every day approximately 10,000 employees are helping customers in more than 60 countries stay competitive. Kennametal generated nearly \$2.4 billion in revenues in fiscal 2019. Learn more at www.kennametal.com.

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