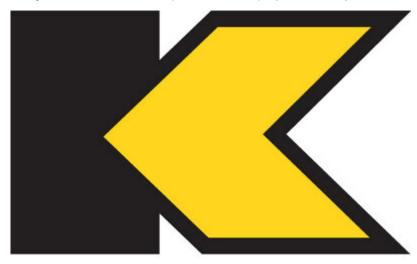


Kennametal details new multi-year growth plan at Investor Day

September 8, 2023

Company provides updates on growth, margin expansion and innovation initiatives

PITTSBURGH, Sept. 8, 2023 /PRNewswire/ -- Kennametal Inc. (NYSE: KMT) (the "Company") today announced its growth and innovation strategy and outlined operational and financial targets through fiscal year 2027. President and CEO Christopher Rossi and members of the Executive Management Team shared these updates at the Company's Investor Day at the New York Stock Exchange.



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"For 85 years, Kennametal has been an industry leader in solving the cutting and wear-resistance challenges of our customers," said Rossi. "More recently, we invested in modernizing our manufacturing facilities to drive productivity, deliver greater customer service and bring higher value-add products to market faster. In addition, we enhanced our Commercial Excellence process to drive share gain and add new revenue streams in underserved areas of our diverse end markets. Today, this process is enabling share gain in end markets like Aerospace & Defense, which gives us confidence in our ability to deliver above market growth as we apply this process to other targeted end markets."

At today's event, Kennametal communicated the following growth and financial targets through fiscal year 2027:

- 4-6% Organic sales growth CAGR
- 20-23% Adjusted EBITDA Margin
- 20-25% Adjusted earnings per diluted share (EPS) CAGR
- 12-14% Adjusted return on invested capital (ROIC)
- Free operating cash flow (FOCF) of greater than 100% of adjusted net income

The Company also announced a \$100 million Operational Excellence and Capacity Optimization cost savings initiative, which includes \$20 million from the previously announced restructuring program, continuous operational improvement of approximately 1% of cost of sales per year, 3 to 5 plant closures and inventory optimization.

Rossi added, "Taken together, the growth and productivity initiatives within our plan give me confidence that we will drive long-term value for shareholders. We will also continue to execute a balanced capital allocation strategy to maximize shareholder value while funding the growth plan laid out today. We remain committed to returning cash to shareholders and executing a disciplined M&A and organic investment strategy to support and accelerate our growth."

The presentation and webcast recording from Kennametal's 2023 Investor Day will be available on the Company's Investor Relations website following the conclusion of the event.

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 organic sales, adjusted EBITDA margin, adjusted EPS, adjusted ROIC and FOCF for 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.

Reconciliations to the most directly comparable GAAP financial measures for the following forward-looking non-GAAP financial measures for the fiscal years of 2024 through 2027 have not been provided, including but not limited to: organic sales growth, adjusted EBITDA margin, adjusted EPS, adjusted ROIC, FOCF and adjusted net income. The most comparable GAAP financial measures are sales growth, EBITDA margin, EPS, return on invested capital, net cash flow from operating activities, and net income attributable to Kennametal, respectively. 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.

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 and defense, earthworks, energy, general engineering and transportation turn to Kennametal to help them manufacture with precision and efficiency. Every day approximately 8,700 employees are helping customers in nearly 100 countries stay competitive. Kennametal generated \$2.1 billion in revenues in fiscal 2023. Learn more at www.kennametal.com. Follow @Kennametal: Twitter, Instagram, Facebook, LinkedIn and YouTube.

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