FY24 Second Quarter

Earnings Call Presentation

February 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 third quarter and full year of fiscal 2024 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 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.”

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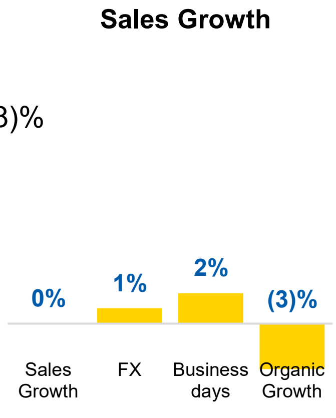
Sales reflect slowing market conditions

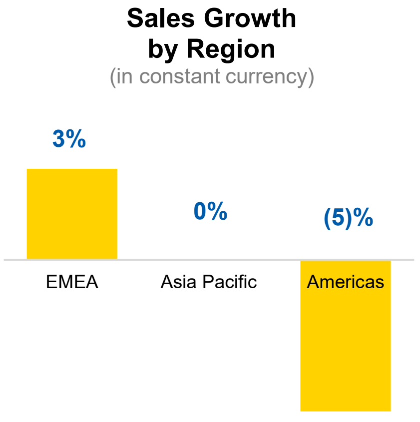
Earnings per share: Reported $0.29; Adjusted $0.30 (vs. $0.27 prior year)

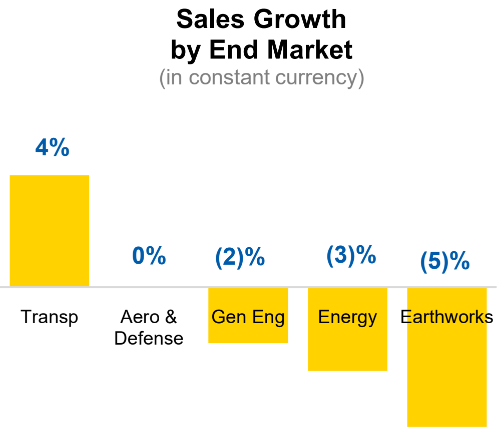
Volume declines
Partially Offset by Price and Strategic Initiatives

Sales of $495M, (3)% organic decline year-over-year
- Flat organic sales in Metal Cutting and Infrastructure sales (8)%

Regional performance mixed
- EMEA – growth driven by Transportation and Energy
- Americas – weakness in all end markets partially offset by growth in Aerospace & Defense
- Asia Pacific – weakness in Energy and Earthworks offset by General Engineering and Transportation







Volume and inflation pressure margins

Adjusted EBITDA of $61.4 million at 12.4% margin down 130bps with prior year

- Lower volumes
- Higher wages and general inflation and unfavorable Price/Raw material cost timing in Infrastructure, partially offset by higher price realization in Metal Cutting and restructuring savings in both segments

Metal Cutting adjusted operating margins **down 40 bps** YoY; higher price realization and restructuring savings were offset by lower volumes and higher wages and general inflation

Infrastructure adjusted operating margin **decline** YoY due to lower volume, and unfavorable Price/Raw material cost timing partially offset by restructuring savings.

Returned $31M to Shareholders

- **$15 million** share repurchases and **$16 million** dividends
- Authorized additional **$200M** share repurchase program

YTD cash from operating activities of **$88M** up from **$53M** in prior year – highest first-half cash generated from operations since fiscal 2016

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Changes in end-market conditions drive lower full year outlook

Year over Year Sales

	General Engineering	Transportation	Energy	Earthworks	Aerospace & Defense
Prior	Flat	Up Slightly	Flat	Up Slightly	Up Strong
Current	Down Slightly	Up Slightly	Down	Down	Up Moderately

Second Half Market Factors

US S&P Global Flash Mfg. PMI
- **Prior:** Increased Aug – Oct
- **Current:** Decreased Oct - Dec

Eurozone 2H IPI forecast
- **Prior:** Improving start of CY24
- **Current:** Slight decline

China PMI
- **Prior:** PMI approaching 50
- **Current:** Flat at 50 signaling no 2H recovery

Light vehicle production
- **Prior:** Slightly increasing
- **Current:** Market/unit production slight decline partially offset by strategic wins

UAW strike effect
- **Prior:** Monitoring
- **Current:** Included in outlook

US Land based rig count
- **Prior:** Approximately 652
- **Current:** Approximately 620

Customer US Sentiment
- **Prior:** Optimistic for CY24
- **Current:** Cautious 1H CY24; shifting projects to 2HCY24

Road Construction
- **Prior:** Normal seasonality
- **Current:** Normal seasonality with increased price sensitivity primarily in US

Mining
- **Prior:** Remain at elevated levels
- **Current:** Declining in China

Major OEM Build Rates
- **Prior:** Up mid-teens
- **Current:** OEM build rates decline in second half
- Outlook includes some risk associated with OEM production issues

Defense
- **Prior:** Geopolitical instability
- **Current:** Geopolitical instability continues

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Proprietary geometry enabled through Modernization

Increase productivity and reduce customer costs

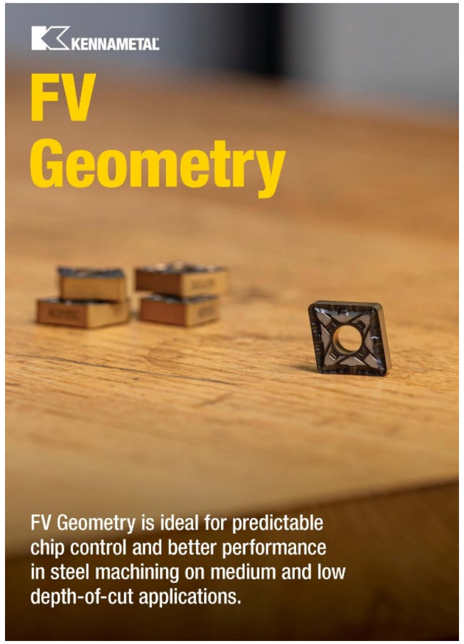
- 30% increased tool-life*
    - Reduce machine downtime
    - Improve cutting speeds
- Increase cutting consistency
- Versatile applications allowing customer to reduce inventory

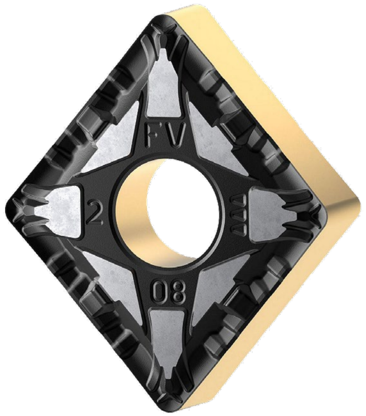
Innovative Technology enabled by Modernization

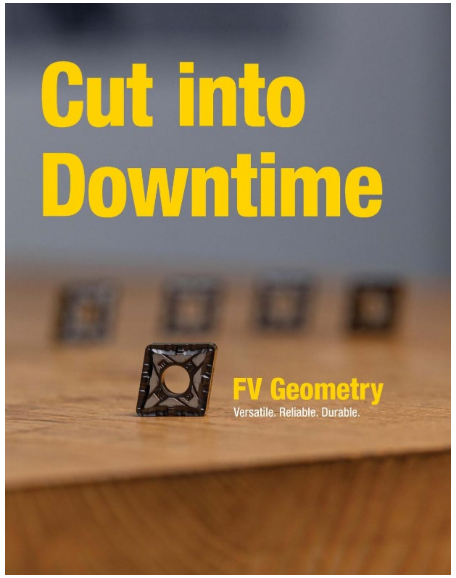
- Production made possible through modernization initiatives
- Available with KenGold™ technology, further expanding the application of this coating

Application Examples

- Transportation - electric and hybrid vehicle components
- Medical - stainless steel components for medical equipment







* Versus prior versions

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Operating in a challenging macro environment

Quarter Ended ($ in millions)	Adjusted: Change from PY	Adjusted: Dec 31, 2023	Reported: Dec 31, 2023	Reported: Dec 31, 2022*
Sales	**0%**	**$495**	**$495**	**$497**
Organic		(3)%	(3)%	11%
FX		1%	1%	(8)%
Business Days		2%	2%	(1)%
Gross Profit	**(2)%**	**$140**	**$140**	**$143**
% of sales	(50) bps	28.2%	28.2%	28.7%
Operating Expense	**1%**	**$107**	**$107**	**$106**
% of sales	40 bps	21.7%	21.7%	21.3%
EBITDA	**(10)%**	**$61**	**$60**	**$68**
% of sales	(130) bps	12.4%	12.2%	13.7%
Operating Income	**(17)%**	**$30**	**$28**	**$35**
% of sales	(110) bps	6.0%	5.7%	7.1%
Effective Tax Rate	**(2580) bps**	**(8.0)%**	**(9.0)%**	**17.8%**
EPS (Earnings per Diluted Share)	**11%**	**$0.30**	**$0.29**	**$0.27**

*Note: Financial results were not adjusted in Q2 FY23; therefore, adjusted numbers are not presented

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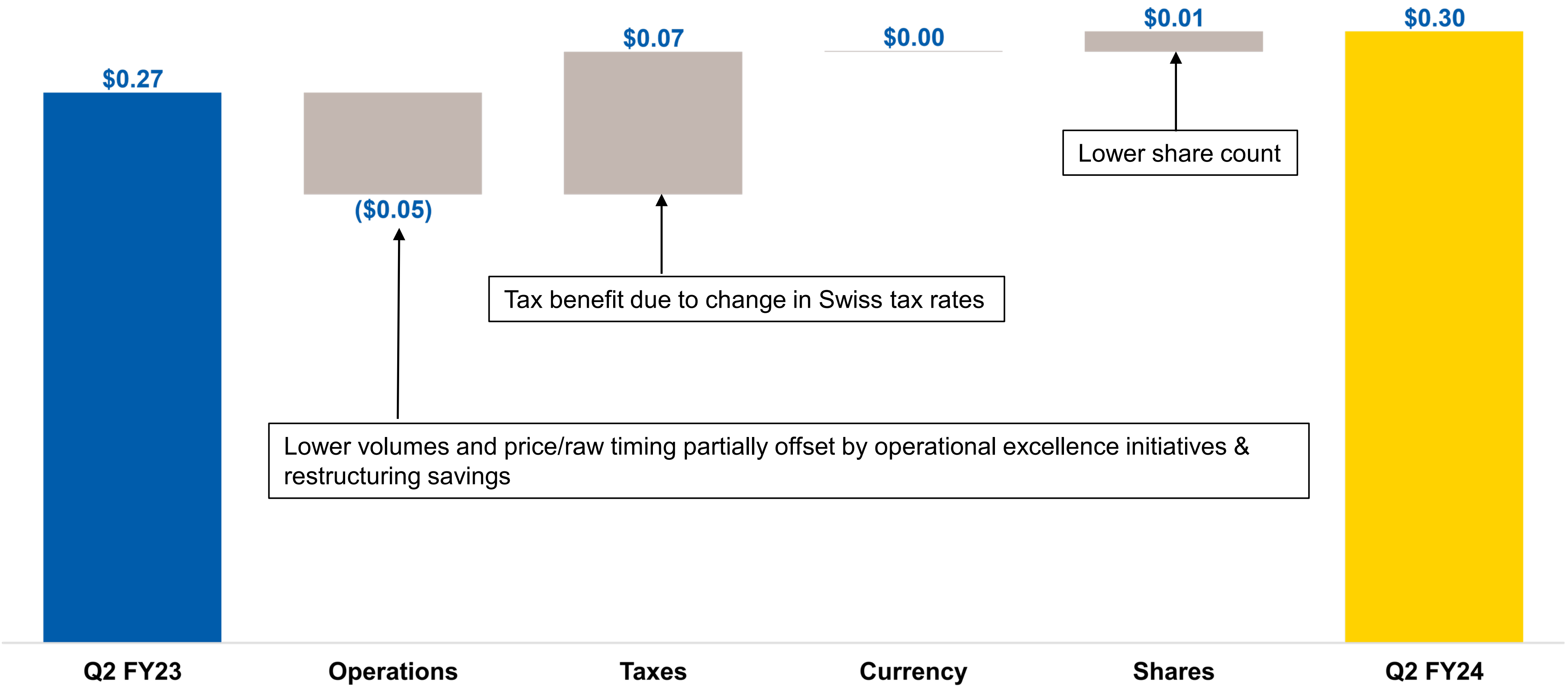
Lower volume effects offset by favorable tax benefits



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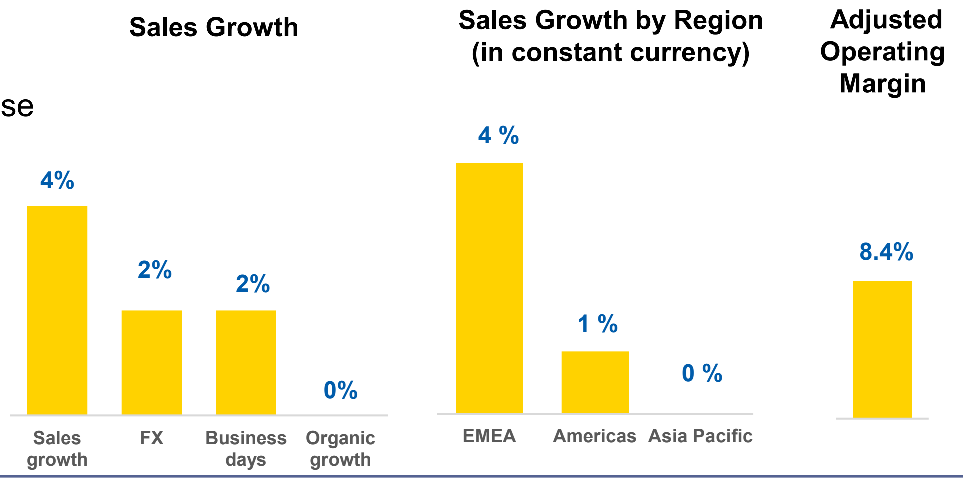
Project wins and price offsetting slowing markets

Flat Organic sales growth with lower volumes

Sales of $311 million

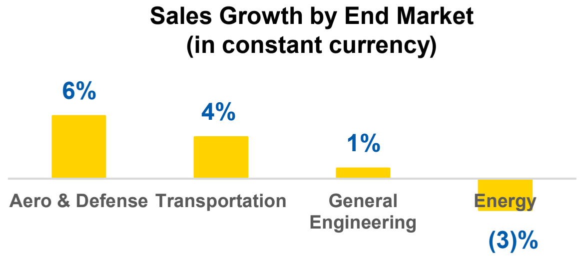
- **Growth in EMEA and the Americas**
  - EMEA driven by Transportation and Aerospace & Defense
  - Americas driven by General Engineering and Aerospace & Defense
  - Asia Pacific Energy weakness partially offset by General Engineering and Transportation

- **Adjusted operating margin of 8.4%**
  - **(40) bps** adjusted margin decline driven by lower volume and higher wages and general inflation partially offset by higher price realization and restructuring benefits



Slowing end markets

- Aerospace & Defense growth eases, continues to benefit from market and share gain
- Transportation growth from EV and hybrid project wins offset by lower auto build rates
- General Engineering slowing in Americas
- Energy declines due to delays in wind energy projects and slower oil and gas markets



Commercial and Operational Excellence

Positioning for growth

- Continued momentum on strategic initiatives to drive above market growth
- Continue to focus on operational excellence initiatives
- Increasing customer service levels while optimizing inventory turns
- Extending innovative KENGold™ edge protection coating technology into new cutting tools

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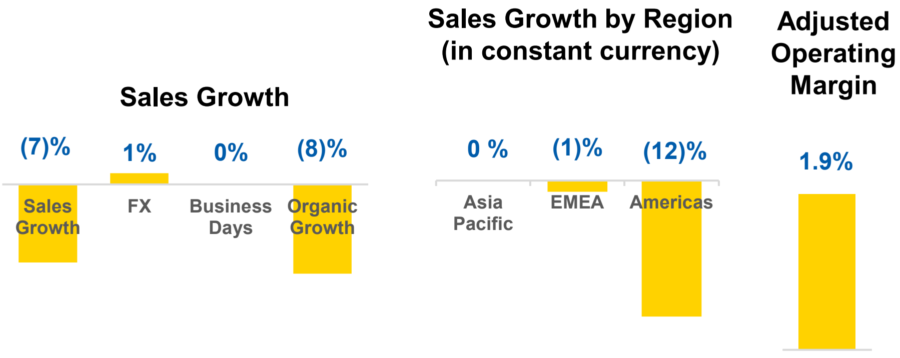
Sales, end-market and near-term margin pressures continue

Organic sales decline 8%

Sales of $184 million

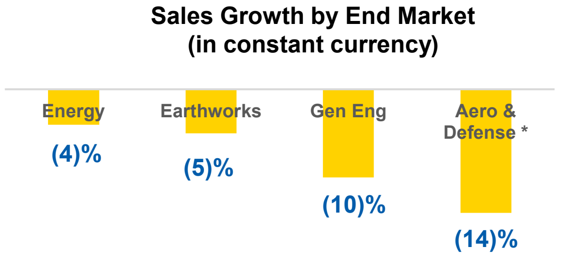
- **Regional Sales**
  - Asia Pacific – growth in General Engineering offset by Earthworks
  - EMEA – Aero & Defense decline partially offset by Energy
  - Americas – decline in all end markets



- **Adjusted operating margin of 1.9% below prior year (320) bps**
  - Lower volumes mainly due to General Engineering and Earthworks
  - Price/raw material timing versus prior year partially offset by restructuring savings

End market conditions worsening

- Aerospace and Defense decline due to large order timing
- General Engineering decline due to softer market demand in Americas
- Earthworks decline mainly in Americas & Asia Pacific
- Energy decline mainly due to slowdown in oil and gas in Americas



Commercial and Operational Excellence

Positioning for growth

- Improving customer service levels through product availability
- Utilize Lean methodologies to drive productivity
- Leveraging strong customer relationships to increase share of wallet

* New end market reclassing sales from General Engineering, see Slide 15.

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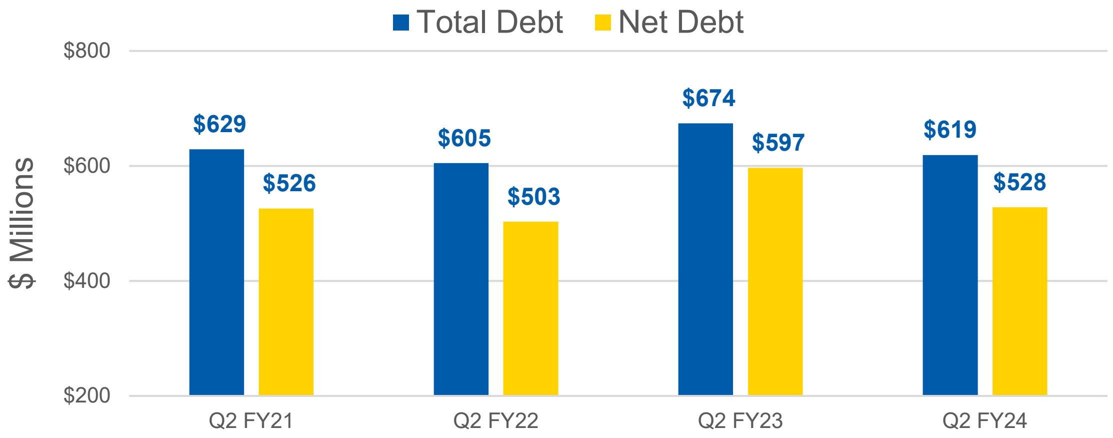
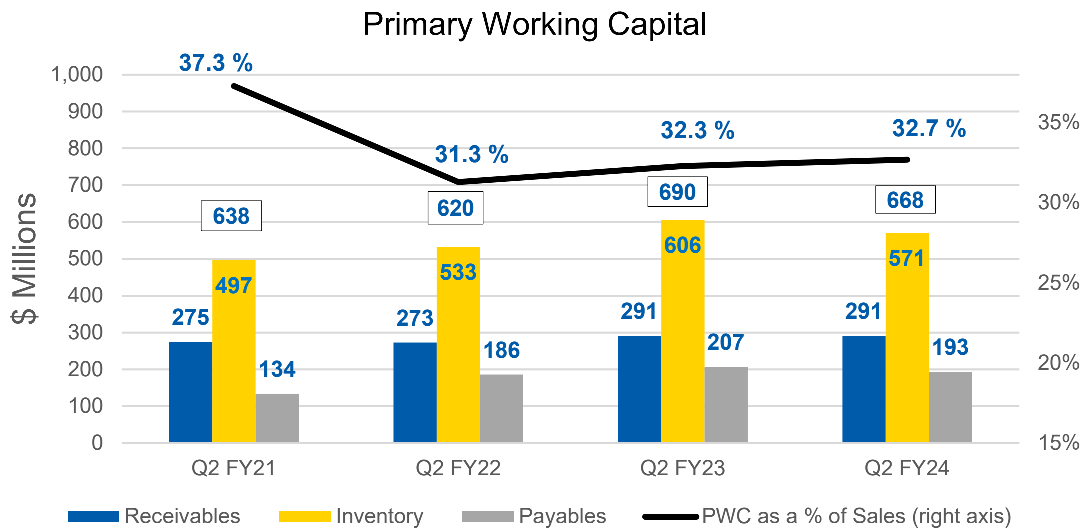
Strong cash flow generation from improved inventory levels





Share Repurchases & Debt Profile

- **$200M 3-year share repurchase program**
  - Q2: **$15M** purchased; **625K** shares
  - Since inception: **$163M** purchased; **5.8M** shares, **~7%** shares outstanding
- **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 YTD**	**FY23 YTD**
Net Cash from Operating Activities	$88	$53
Capital Expenditures, Net	$(52)	$(48)
Free Operating Cash Flow (FOCF)	$36	$4
Dividends	$(32)	$(32)

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Q3 FY24 Outlook

FY24 THIRD QUARTER OUTLOOK

Sales

$510 - $530M

~(5)% - (2)%	~2%	~(1)%
Volume growth	Price realization	Foreign exchange

Adjusted Effective Tax Rate

~26%

Adjusted EPS

$0.25 - $0.35

OUTLOOK CONSIDERS THE FOLLOWING ASSUMPTIONS

- Inflationary environment continues to moderate
- Year over Year sales growth reflects:
  - **Transportation:** Slight growth
  - **Energy:** Decline due to slowdown in Americas
  - **Aerospace & Defense:** Moderate growth
  - **General Engineering:** Decline due slowdown in Americas and EMEA
  - **Earthworks:** Decline
  - **China:** Flat
- Pricing to cover raw material, wage and general cost increases on a dollar basis.

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FY24 Outlook

FY24 TOTAL YEAR OUTLOOK

Sales

$2.02 - $2.07B

~(4) – (2)%	~2%	Neutral
Volume growth	Price realization	Foreign exchange

Interest Expense	Adjusted Effective Tax Rate	Adjusted EPS	Depreciation & Amortization
~$28M	~21%	$1.35- $1.65	~$135M

Capital Spending	Primary Working Capital (% of sales)	Free Operating Cash Flow (FOCF)	Share Repurchase
~$100 - $110M	~32% throughout the year	~100% of adjusted net income	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:** Slight decline
  - **Aerospace & Defense:** Moderate growth
  - **Energy:** Decline
  - **Earthworks:** Decline
  - **China:** Flat
- 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 annualized run rate of ~$35M at end of FY24, up from previously expected $20M

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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

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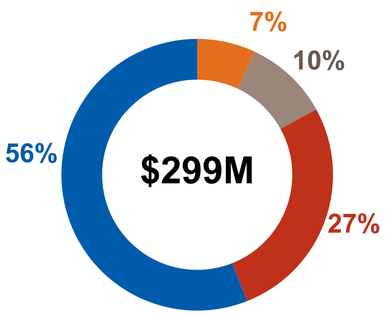
Appendix

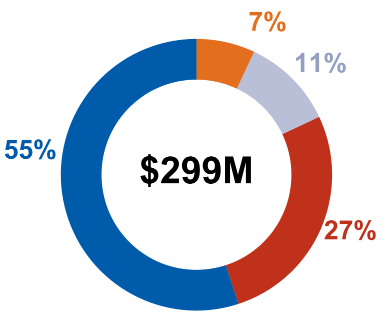
End markets focused on future strategic growth initiatives

Metal Cutting Q2 FY23

Prior End Market Alignment

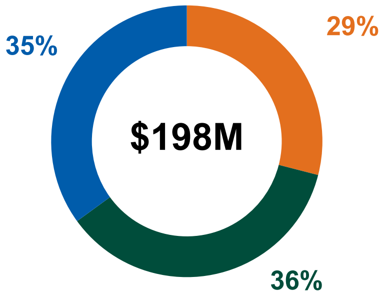


New End Market Alignment

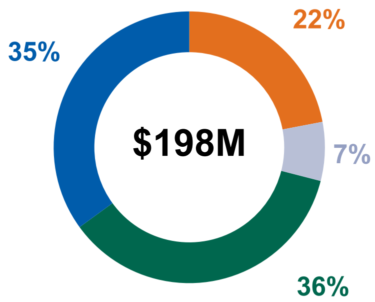


Infrastructure Q2 FY23

Prior End Market Alignment

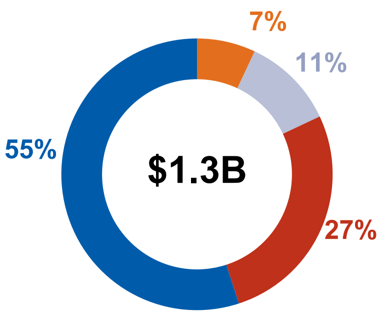


New End Market Alignment



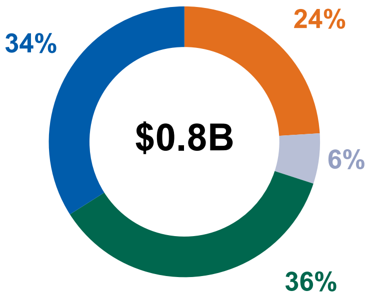
Metal Cutting FY23

New End Market Alignment



Infrastructure FY23

New End Market Alignment



Defense sales from general engineering combined with aerospace sales for the new aerospace and defense end market
Certain Metal Cutting sales reclassified from general engineering to the aerospace and defense end market
Infrastructure’s ceramic sales have been reclassified from energy to the general engineering end market

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

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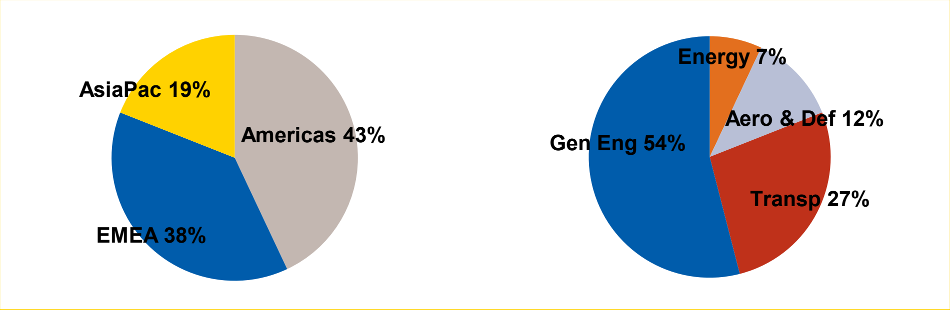
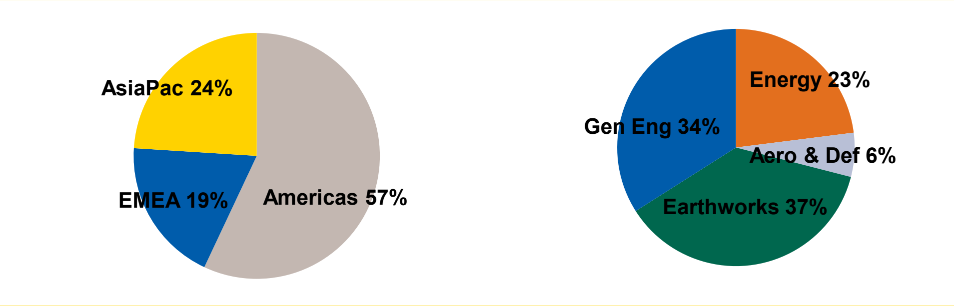
Flat sales as end markets slow

Metal Cutting



Infrastructure



Period Ending December 31, 2023
($ in millions)

	Q2 FY24			
	% of KMT total	Metal Cutting	Infrastructure	Total
Sales		**$311**	**$184**	**$495**
Organic		**0%**	**(8)%**	**(3)%**
FX		**2%**	**1%**	**1%**
Business Days		**2%**	**0%**	**2%**
Constant Currency Regional Growth:				
Americas	*48%*	1%	(12)%	(5)%
EMEA	*31%*	4%	(1)%	3%
AsiaPac	*21%*	0%	0%	0%
Constant Currency End Market Growth:				
General Engineering	*47%*	1%	(10)%	(2)%
Energy	*13%*	(3)%	(4)%	(3)%
Transportation	*17%*	4%	N/A	4%
Earthworks	*13%*	N/A	(5)%	(5)%
Aerospace & Defense	*10%*	6%	(14)%	0%
Adjusted Operating Income		**$26**	**$4**	**$30**
Adjusted Operating Margin		**8.4%**	**1.9%**	**6.0%**

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Strong balance sheet fuels strong cash flow generation

ASSETS *($ in millions)*	**December 2023**	**June 2023**
Cash and cash equivalents	$91	$106
Accounts receivable, net	291	307
Inventories	571	558
Other current assets	58	56
Total current assets	1,010	1,027
Property, plant and equipment, net	961	969
Goodwill and other intangible assets, net	364	363
Other assets	210	189
Total assets	$2,544	$2,547
LIABILITIES *($ in millions)*		
Revolving and other lines of credit and notes payable	$23	$1
Accounts payable	193	203
Other current liabilities	198	230
Total current liabilities	414	434
Long-term debt	596	595
Other liabilities	207	204
Total liabilities	1,216	1,233
Kennametal Shareowners’ Equity	1,288	1,275
Noncontrolling interest	40	39
Total liabilities and equity	$2,544	$2,547

* Amounts may not sum due to rounding

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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 second quarter and 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.

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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.

(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.

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Non-GAAP Reconciliations (cont'd)

($ in millions, except percents and per share data)	Sales	Gross Profit	Operating Expense	Operating Income	Net Income[5]	Diluted EPS	Effective Tax Rate
Q2 FY24 Reported Results	$ 495.3	$ 139.6	$ 107.3	$ 28.5	$ 23.1	$ 0.29	(9.0)%
Reported Margins		28.2 %	21.7 %	5.7 %			
Restructuring and related charges	—	—	—	1.0	0.9	0.01	14.3
Differences in projected annual tax rates	—	—	—	—	—	—	(13.3)
Q2 FY24 Adjusted Results	$ 495.3	$ 139.6	$ 107.3	$ 29.5	$ 24.0	$ 0.30	(8.0)%
Q2 FY24 Adjusted Margins		28.2 %	21.7 %	6.0 %			

(5) Attributable to Kennametal Shareholders.

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Non-GAAP Reconciliations (cont'd)

($ in millions, except percents)	Three Months Ended December 31, 2023	Three Months Ended December 31, 2022
Net income attributable to Kennametal, reported	$ 23.1	$ 21.9
Add back:		
Interest expense	6.8	7.0
Interest income	(0.4)	(0.3)
(Benefit from) provision for income taxes	(2.0)	5.0
Depreciation	30.0	31.5
Amortization	2.7	3.1
EBITDA	$ 60.4	$ 68.3
Margin	12.2 %	13.7 %
Adjustments:		
Restructuring and related charges	1.0	—
Adjusted EBITDA	$ 61.4	$ 68.3
Adjusted Margin	12.4 %	13.7 %

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Non-GAAP Reconciliations (cont'd)

($ in millions, except percents)	Metal Cutting Sales	Metal Cutting Operating Income	Infrastructure Sales	Infrastructure Operating Income
Q2 FY24 Reported Results	$ 311.4	$ 25.5	$ 183.9	$ 3.2
Reported Operating Margin		8.2 %		1.8 %
Restructuring and related charges	—	0.7	—	0.3
Q2 FY24 Adjusted Results	$ 311.4	$ 26.2	$ 183.9	$ 3.6
Q2 FY24 Adjusted Operating Margin		8.4 %		1.9 %

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Non-GAAP Reconciliations (cont'd)

Three Months Ended December 31, 2023	Metal Cutting	Infrastructure	Kennametal
Organic sales growth (decline)	— %	(8)%	(3)%
Foreign currency exchange effect	2	1	1
Business days effect	2	—	2
Sales growth (decline)	4 %	(7)%	— %

Three Months Ended December 31, 2022	Metal Cutting	Infrastructure	Kennametal
Organic sales growth	11 %	12 %	11 %
Foreign currency exchange effect	(10)	(6)	(8)
Business days effect	(1)	(1)	(1)
Sales growth	— %	5 %	2 %

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Non-GAAP Reconciliations (cont'd)

Metal Cutting Three Months Ended December 31, 2023	Americas	EMEA	Asia Pacific
Constant currency regional sales growth	1 %	4 %	— %
Foreign currency exchange effect	1	5	(1)
Regional sales growth (decline)	2 %	9 %	(1)%

Infrastructure Three Months Ended December 31, 2023	Americas	EMEA	Asia Pacific
Constant currency regional sales decline	(12)%	(1)%	— %
Foreign currency exchange effect	—	3	(1)
Regional sales (decline) growth	(12)%	2 %	(1)%

Kennametal Three Months Ended December 31, 2023	Americas	EMEA	Asia Pacific
Constant currency regional sales (decline) growth	(5)%	3 %	— %
Foreign currency exchange effect	—	4	(1)
Regional sales (decline) growth	(5)%	7 %	(1)%

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Non-GAAP Reconciliations (cont'd)

Metal Cutting			
Three Months Ended December 31, 2022	**Americas**	**EMEA**	**Asia Pacific**
Constant currency regional sales growth	12 %	9 %	2 %
Foreign currency exchange effect	(1)	(15)	(10)
Regional sales growth (decline)	11 %	(6)%	(8)%

Infrastructure			
Three Months Ended December 31, 2022	**Americas**	**EMEA**	**Asia Pacific**
Constant currency regional sales growth	11 %	23 %	2 %
Foreign currency exchange effect	(1)	(17)	(10)
Regional sales growth (decline)	10 %	6 %	(8)%

Kennametal			
Three Months Ended December 31, 2022	**Americas**	**EMEA**	**Asia Pacific**
Constant currency regional sales growth	11 %	12 %	2 %
Foreign currency exchange effect	—	(15)	(10)
Regional sales growth (decline)	11 %	(3)%	(8)%

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Non-GAAP Reconciliations (cont'd)

Metal Cutting

Three Months Ended December 31, 2023	General Engineering	Transportation	Aerospace & Defense	Energy
Constant currency end market sales growth (decline)	1 %	4 %	6 %	(3)%
Foreign currency exchange effect	2	2	1	2
End market sales growth (decline)	3 %	6 %	7 %	(1)%

Infrastructure

Three Months Ended December 31, 2023	Energy	Earthworks	General Engineering	Aerospace & Defense
Constant currency end market sales decline	(4)%	(5)%	(10)%	(14)%
Foreign currency exchange effect	1	(1)	—	4
End market sales decline	(3)%	(6)%	(10)%	(10)%

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Three Months Ended December 31, 2023	Energy	Earthworks	General Engineering	Transportation	Aerospace & Defense
Constant currency end market sales (decline) growth	(3)%	(5)%	(2)%	4 %	— %
Foreign currency exchange effect	1	(1)	1	2	2
End market sales (decline) growth	(2)%	(6)%	(1)%	6 %	2 %

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Non-GAAP Reconciliations (cont'd)

Metal Cutting

Three Months Ended December 31, 2022	General Engineering	Transportation	Aerospace & Defense	Energy
Constant currency end market sales growth	6 %	13 %	19 %	1 %
Foreign currency exchange effect	(8)	(10)	(8)	(7)
End market sales (decline) growth	(2)%	3 %	11 %	(6)%

Infrastructure

Three Months Ended December 31, 2022	Energy	Earthworks	General Engineering	Aerospace & Defense
Constant currency end market sales growth	13 %	11 %	9 %	13 %
Foreign currency exchange effect	(2)	(7)	(7)	(7)
End market sales growth	11 %	4 %	2 %	6 %

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Three Months Ended December 31, 2022	Energy	Earthworks	General Engineering	Transportation	Aerospace & Defense
Constant currency end market sales growth	9 %	11 %	7 %	13 %	17 %
Foreign currency exchange effect	(4)	(7)	(8)	(10)	(7)
End market sales growth (decline)	5 %	4 %	(1)%	3 %	10 %

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Non-GAAP Reconciliations (cont'd)

Net Debt	**Three Months Ended**			
(in millions)	**12/31/2023**	**12/31/2022**	**12/31/2021**	**12/31/2020**
Total debt (gross)	$ 618.9	$ 673.6	$ 605.0	$ 628.7
Less: cash and cash equivalents	90.7	76.8	101.8	103.2
Net debt	$ 528.2	$ 596.8	$ 503.2	$ 525.5

	Six Months Ended December 31,	
(in millions)	**2023**	**2022**
Net cash flow provided by operating activities	$ 88.3	$ 52.5
Purchases of property, plant and equipment	(57.5)	(50.6)
Proceeds from disposals of property, plant and equipment	5.2	2.5
Free operating cash flow	$ 36.0	$ 4.4

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Non-GAAP Reconciliations (cont'd)

(in thousands, except percents)	12/31/2023	9/30/2023	6/30/2023	3/31/2023	12/31/2022	Average
Current assets	$ 1,009,820	$ 1,010,555	$ 1,026,789	$ 1,079,035	$ 1,048,303	
Current liabilities	414,108	419,846	433,975	488,729	494,334	
Working capital, GAAP	$ 595,712	$ 590,709	$ 592,814	$ 590,306	$ 553,969	
Excluding items:						
Cash and cash equivalents	(90,735)	(95,098)	(106,021)	(93,474)	(76,784)	
Other current assets	(57,753)	(56,457)	(55,825)	(76,607)	(74,723)	
Total excluded current assets	(148,488)	(151,555)	(161,846)	(170,081)	(151,507)	
Adjusted current assets	861,332	859,000	864,943	908,954	896,796	
Revolving and other lines of credit and notes payable	(23,315)	(31,179)	(689)	(64,055)	(78,805)	
Other current liabilities	(197,791)	(191,298)	(229,945)	(227,516)	(208,807)	
Total excluded current liabilities	(221,106)	(222,477)	(230,634)	(291,571)	(287,612)	
Adjusted current liabilities	193,002	197,369	203,341	197,158	206,722	
Primary working capital	$ 668,330	$ 661,631	$ 661,602	$ 711,796	$ 690,074	$ 678,687

	Three Months Ended				
	12/31/2023	9/30/2023	6/30/2023	3/31/2023	Total
Sales	$ 495,320	$ 492,476	$ 550,234	$ 536,036	$ 2,074,066
Primary working capital as a percentage of sales					32.7 %

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Non-GAAP Reconciliations (cont'd)

(in thousands, except percents)	12/31/2022	9/30/2022	6/30/2022	3/31/2022	12/31/2021	Average
Current assets	$ 1,048,303	$ 1,011,486	$ 1,024,708	$ 1,043,241	$ 984,201	
Current liabilities	494,334	497,488	485,610	460,365	410,983	
Working capital, GAAP	$ 553,969	$ 513,998	$ 539,098	$ 582,876	$ 573,218	
Excluding items:						
Cash and cash equivalents	(76,784)	(64,568)	(85,586)	(99,982)	(101,799)	
Other current assets	(74,723)	(76,732)	(72,940)	(69,582)	(76,794)	
Total excluded current assets	(151,507)	(141,300)	(158,526)	(169,564)	(178,593)	
Adjusted current assets	896,796	870,186	866,182	873,677	805,608	
Revolving and other lines of credit and notes payable	(78,805)	(85,239)	(21,186)	(28,736)	(12,228)	
Other current liabilities	(208,807)	(206,309)	(236,537)	(233,942)	(212,898)	
Total excluded current liabilities	(287,612)	(291,548)	(257,723)	(262,678)	(225,126)	
Adjusted current liabilities	206,722	205,940	227,887	197,687	185,857	
Primary working capital	$ 690,074	$ 664,246	$ 638,295	$ 675,990	$ 619,751	$ 657,671

	Three Months Ended				
	12/31/2022	9/30/2022	6/30/2022	3/31/2022	Total
Sales	$ 497,121	$ 494,792	$ 530,016	$ 512,259	$ 2,034,188
Primary working capital as a percentage of sales					32.3 %

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Non-GAAP Reconciliations (cont'd)

(in thousands, except percents)	12/31/2021	9/30/2021	6/30/2021	3/31/2021	12/31/2020	Average
Current assets	$ 984,201	$ 966,948	$ 1,004,807	$ 966,916	$ 948,686	
Current liabilities	410,983	389,223	437,394	425,553	402,641	
Working capital, GAAP	$ 573,218	$ 577,725	$ 567,413	$ 541,363	$ 546,045	
Excluding items:						
Cash and cash equivalents	(101,799)	(107,316)	(154,047)	(114,307)	(103,188)	
Other current assets	(76,794)	(74,906)	(71,470)	(73,235)	(73,123)	
Total excluded current assets	(178,593)	(182,222)	(225,517)	(187,542)	(176,311)	
Adjusted current assets	805,608	784,726	779,290	779,374	772,375	
Revolving and other lines of credit and notes payable	(12,228)	(368)	(8,365)	(18,745)	(34,979)	
Other current liabilities	(212,898)	(211,778)	(251,370)	(242,327)	(233,509)	
Total excluded current liabilities	(225,126)	(212,146)	(259,735)	(261,072)	(268,488)	
Adjusted current liabilities	185,857	177,077	177,659	164,481	134,153	
Primary working capital	$ 619,751	$ 607,649	$ 601,631	$ 614,893	$ 638,222	$ 616,429

	Three Months Ended				
	12/31/2021	9/30/2021	6/30/2021	3/31/2021	Total
Sales	$ 486,673	$ 483,509	$ 515,971	$ 484,658	$ 1,970,811
Primary working capital as a percentage of sales					31.3 %

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Non-GAAP Reconciliations (cont'd)

(in thousands, except percents)	12/31/2020	9/30/2020	6/30/2020	3/31/2020	12/31/2019	Average
Current assets	$ 948,686	$ 935,721	$ 1,440,812	$ 966,723	$ 1,035,912	
Current liabilities	402,641	415,573	898,080	383,131	409,110	
Working capital, GAAP	$ 546,045	$ 520,148	$ 542,732	$ 583,592	$ 626,802	
Excluding items:						
Cash and cash equivalents	(103,188)	(98,290)	(606,684)	(85,230)	(105,210)	
Other current assets	(73,123)	(78,700)	(73,698)	(60,550)	(97,824)	
Total excluded current assets	(176,311)	(176,990)	(680,382)	(145,780)	(203,034)	
Adjusted current assets	772,375	758,731	760,430	820,943	832,878	
Revolving and other lines of credit and notes payable	(34,979)	(46,458)	(500,368)	(4,500)	(2,102)	
Other current liabilities	(233,509)	(233,039)	(233,071)	(213,569)	(233,848)	
Total excluded current liabilities	(268,488)	(279,497)	(733,439)	(218,069)	(235,950)	
Adjusted current liabilities	134,153	136,076	164,641	165,062	173,160	
Primary working capital	$ 638,222	$ 622,655	$ 595,789	$ 655,881	$ 659,718	$ 634,453

	Three Months Ended				
	12/31/2020	9/30/2020	6/30/2020	3/31/2020	Total
Sales	$ 440,507	$ 400,305	$ 379,053	$ 483,084	$ 1,702,949
Primary working capital as a percentage of sales					37.3 %

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