



FY26 Second Quarter

Earnings Call Presentation

February 4, 2026



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 2026 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, tariffs, and Russia's invasion of Ukraine and the resulting sanctions on Russia; the conflict in the Middle East, other economic recession; our ability to achieve all anticipated benefits of restructuring, 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 the Middle East; 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.”

Q2 FY26 Summary



Highlights

- ▶ Key Customer Wins
- ▶ Energy Demand Spotlight
- ▶ Restructuring Update
- ▶ Outlook Updated



Market Conditions

- ▶ Modest Volume Increase
- ▶ Tungsten Pricing
- ▶ Market Update

Q2 FY26 Results

\$530M

SALES
10% Organic Growth

\$0.47 per share

Adj. EPS

\$90M

Adj. EBITDA
17.1% Adj. EBITDA Margin

\$73M

YTD CASH FROM OPERATIONS
YTD FOCF \$38M

\$15M to Shareholders

CAPITAL ALLOCATION
\$15M Dividends

Price drives outlook revision; markets remain stable

FY26 Sales Assumptions at Outlook Midpoint in Constant Currency

General Engineering

Prior	Current
	
Up LSD	Up MSD

Transportation

Prior	Current
	
Flat	Up LSD

Energy

Prior	Current
	
Up MSD	Up LDD

Earthworks

Prior	Current
	
Up LDD	Up HDD

Aerospace & Defense

Prior	Current
	
Up HDD	Up HDD

FY26 Market Factors

US S&P IPI forecast

- Prior:** Flat due to 1H CY26 decline
- Current:** Up LSD

EMEA IPI forecast

- Prior:** Up LSD with stronger 2H CY25
- Current:** Up LSD with stronger 1H CY26

China PMI

- Prior:** Slight growth at 51.2 (Sept)
- Current:** Slight growth at 50.1 (Dec)

Light vehicle production

- Prior:** Per IHS production down LSD
- Current:** Per IHS production flat

US Land based rig count

- Prior:** Decline MSD -7%
- 526 vs 566 FY25
- Current:** Decline MSD -7%
- 527 vs 566 FY25

Customer US Sentiment

- Prior:** Unfavorable customer sentiment, rig productivity is focus
- Current:** Unfavorable customer sentiment, rig productivity is focus

Road Construction

- Prior:** Normal seasonality expected, competitive pressures persist
- Current:** Normal seasonality expected, competitive pressures persist

Mining

- Prior:** Share gains in the US partially offset by soft coal markets in US and China
- Current:** Share gains partially offset by soft coal markets in US and China

Major OEM Build Rates

- Prior:** Up strongly driven by supply chain and production recovery
- Current:** Up strongly driven by supply chain and production recovery

Defense

- Prior:** US proposed increase of low teens and NATO plans to significantly increase spending
- Current:** US proposed increase of low teens and NATO plans to significantly increase spending

Solutions to meet surging demand for Power

Fuel Source to Generation ~17% of KMT FY25 Sales

Fuel Source

Source Extraction

Natural Gas

~45% of incremental energy supplied by 2030

Wind

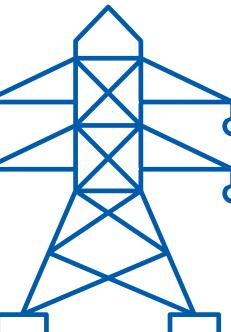
~20% of incremental energy supplied by 2030

Solar

~35% of incremental energy supplied by 2030

Coal

Coal provides ~17% base load in 2025



Transmit

Transmission of Power Generation Source

Natural Gas Pipelines

Trenching

Foundations for Wind Towers and Overhead Lines

~20% CAGR high-power lines in the U.S. from 2025 – 2035



Generation

Tooling Solutions for Power Generation

Gas Turbines

15% CAGR 2025 – 2030

Wind Turbines

1% CAGR 2025 – 2030

Reciprocating Engines for Backup Generators

~10% CAGR 2023 – 2030



Kennametal End Markets

General Engineering

Aerospace & Defense

Energy

Transportation

Earthworks

Power Consumers

Overall Electricity Demand
~3% CAGR through 2030

Data Centers

~17% of U.S. Power Generation by 2030

Electric Vehicles

Battery Electric Vehicle (BEV) growth 27%
2026-2030

Hybrid Vehicles

Hybrid Electric Vehicle (HEV) growth 16% CAGR
2026 – 2030

Source: Bloomberg Intelligence, Bernstein Research, US Department of Energy, Company Filings (HAL, NEE, DE), Wood Mackenzie, IHS.

Price and positive volume drive organic growth and margin expansion

Order timing drives volume growth

Sales of \$530M, 10% organic growth year-over-year

Metal Cutting 9% and Infrastructure 11%

Aerospace & Defense

Prior year strike, order timing and project wins drive growth

Earthworks

Share-gain and higher demand in underground mining; buy ahead in construction

Energy

Project wins in Metal Cutting and higher price in Infrastructure

General Engineering

Metal Cutting buy ahead; price in both Metal Cutting and Infrastructure

Transportation

Transportation growth driven by project wins in Americas



Margin Expansion

Adjusted EBITDA of \$90.3 million at 17.1% margin up 320 bps against prior year

- Price/raw material timing of ~\$17M in Infrastructure
- Price and tariff surcharges in Metal Cutting
- Higher sales and production volume in Metal Cutting
- Restructuring savings of \$8M

Partially offset by:

- Higher compensation costs, tariffs and general inflation
- Prior year net insurance benefits of \$3M

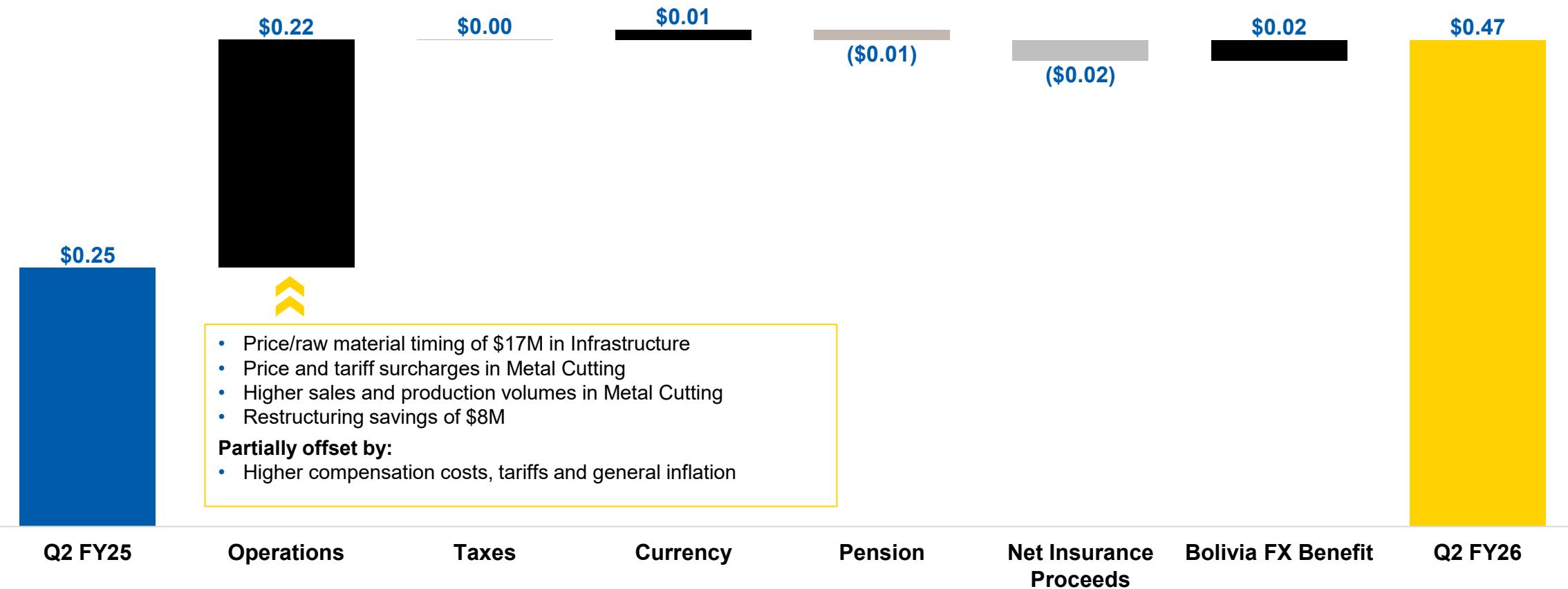
Returned \$15M to Shareholders

\$15 million
Dividends

Earnings per Diluted Share (EPS):
Reported \$0.44;
Adjusted \$0.47
(vs. \$0.23 reported; \$0.25 adjusted in prior year)

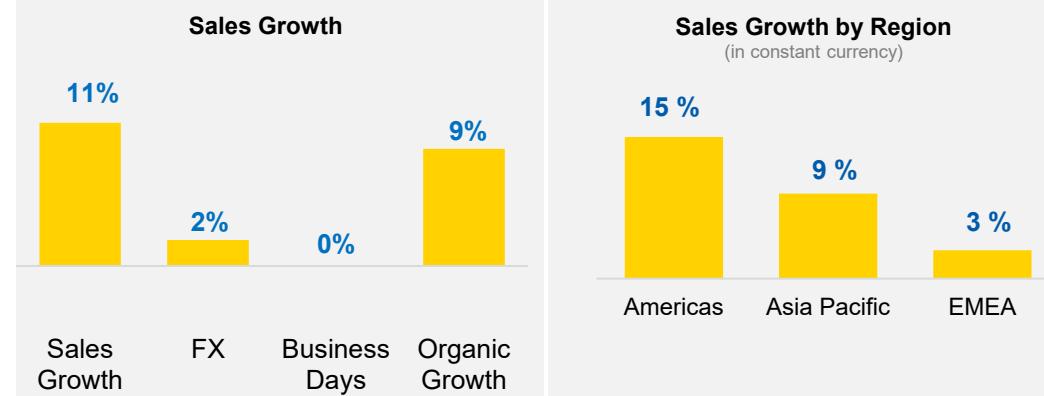
*Adjusted for Divestiture

Price/Raw timing, restructuring and volume drive Adj. EPS growth



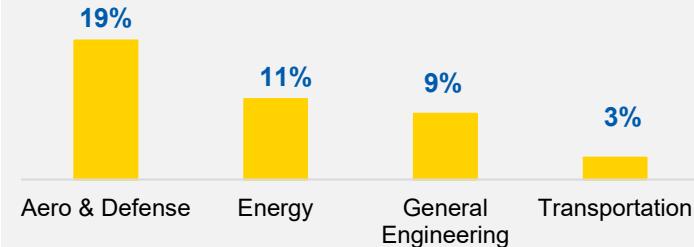
Price and volume drive sales and margin improvement

Organic sales increase 9% Sales of \$331 million



Growth driven by price, buy ahead, strategic wins and market improvement

Sales Growth by End Market (in constant currency)



- Aerospace & Defense up driven by prior year strike and strategic focus in Americas and EMEA
- Energy growth driven by project wins in Americas
- General Engineering strength due to indirect channel buy ahead and price
- Transportation growth driven by Internal Combustion Engine and transmission wins in Americas

Commercial and operational excellence

- Commercial intensity around EMEA Defense drives share gain opportunity
- Remote selling initiative driving incremental sales in Americas and Asia Pacific
- Lean transformation continues to drive operational gains

Regional Sales

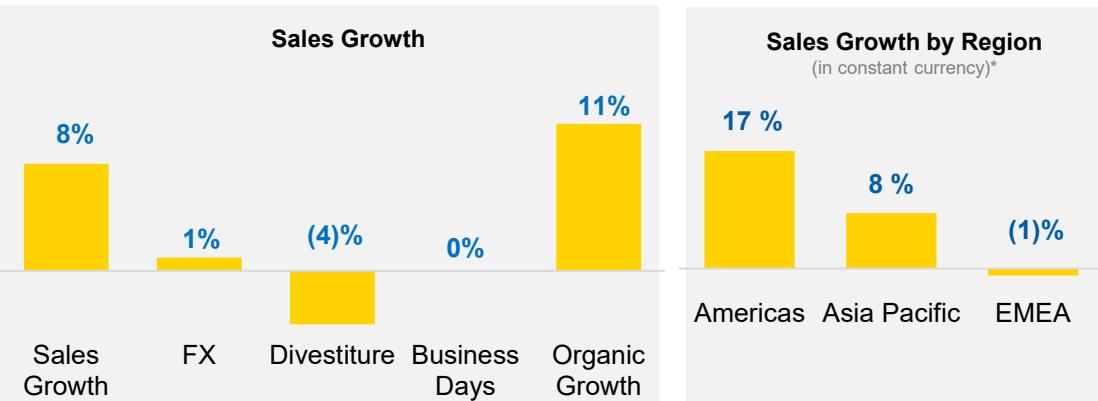
- Americas – Strength in General Engineering, Aerospace & Defense, Energy and Transportation
- Asia Pacific – Growth driven by General Engineering, Transportation, Aerospace & Defense and Energy
- EMEA – Strength in Aerospace and Defense, Transportation and Energy

Adjusted operating margin of 9.6% above prior year 360 bps

Margin expansion driven by price and tariff surcharges, higher sales and production volume and restructuring savings of \$6M; partially offset by higher compensation, tariffs and general inflation

Price/Raw timing drives profitability

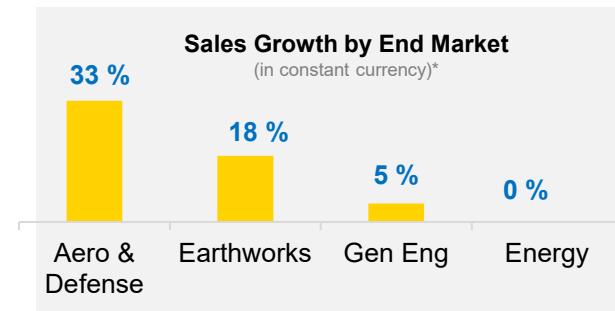
Organic sales growth 11% Sales of \$198 million



Regional Sales

- Americas – Higher price with strength in Earthworks and Aerospace and Defense
- Asia Pacific – General Engineering and Earthworks strength
- EMEA – General Engineering, Energy weakness partially offset by Earthworks

Price, share gain, and project timing drive growth



- Aerospace and Defense growth driven by strategic initiatives and project timing in the Americas
- Earthworks driven by share-gain in underground mining and buy ahead and share gains in construction
- General Engineering driven by price and higher demand in Americas and Asia Pacific partially offset by lower demand in EMEA
- Energy flat as higher price is offset by weaker market conditions

Commercial and operational excellence

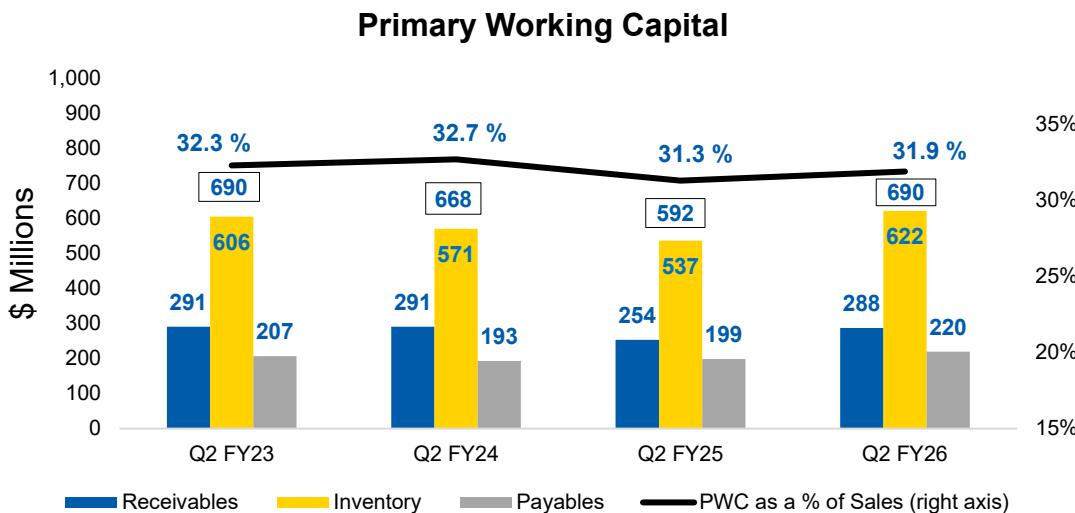
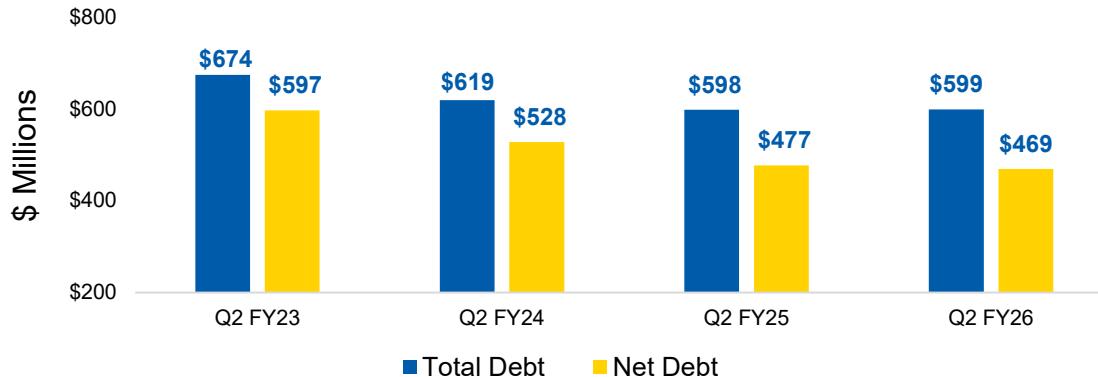
- Steadfast focus on price setting and realization to offset rising material costs
- Strategic initiatives maintaining traction
- Managing inventory volumes to partially offset rising tungsten costs

Adjusted operating margin of 12.3% above prior year 370 bps

- Price / raw material timing of ~\$17M and restructuring savings of \$2M partially offset by higher compensation costs, prior year net insurance proceeds of \$3M, and general inflation

*Adjusted for Divestiture

Strong balance sheet and liquidity



Share Repurchases & Debt Profile

\$200M 3-year share repurchase program

Inception to date **\$70M** purchased;
3M shares

Debt profile

Two \$300M notes mature June 2028 & March 2031

\$650M revolver matures Nov 2030

Covenant ratio well within limits

Consolidated Results (\$ in millions)

FY26 YTD

FY25 YTD

Net Cash from Operating Activities

\$73 \$101

Capital Expenditures, Net

\$(34) \$(44)

Free Operating Cash Flow (FOCF)

\$38 \$57

FY26 Outlook

FY26 TOTAL YEAR OUTLOOK

<p>Sales \$2.19 - \$2.25B Flat - ~3% Volume growth</p> <p>Price and tariff surcharge realization</p> <p>Foreign exchange ~2%</p>			
Interest Expense ~\$25M	Adjusted Effective Tax Rate ~26%	Adjusted EPS \$2.05 - \$2.45	Depreciation & Amortization ~\$135M
Capital Spending ~\$90M	Primary Working Capital (% of sales) ~32% by fiscal year end	Free Operating Cash Flow (FOCF) ~60% of adjusted net income	Share Repurchase Offset dilution from compensation programs, at a minimum

OUTLOOK CONSIDERS THE FOLLOWING ASSUMPTIONS

- Revenue Assumptions Year over Year
- Transportation:** Up LSD **Gen Engineering:** Up MSD **Aerospace & Defense:** Up HDD
- Energy:** Up LDD **Earthworks:** Up HDD
- Tungsten prices assumed stable at the current level
- Pension (non-cash) headwind of **~\$5M** compared to FY25
Foreign exchange tailwind of **~\$8M** compared to FY25
- Restructuring savings of **~\$30M** included

Q3 FY26 Outlook

FY26 THIRD QUARTER OUTLOOK

Sales		
\$545 - \$565M		
~ (4)% - Flat Volume growth	~13% Price and tariff surcharge realization	~5% Foreign exchange
~26% Adjusted Effective Tax Rate	~\$6M Interest Expense	\$0.50 - \$0.60 Adjusted EPS

OUTLOOK CONSIDERS THE FOLLOWING ASSUMPTIONS

- Year over Year sales growth reflects:

Transportation: Up LSD	Energy: Up MSD	Earthworks: Up HDD
General Engineering: Up HSD	Aerospace & Defense: Up HDD	
- Pension (non-cash) headwind of **~\$2M** compared to Q3 FY25

Foreign exchange tailwind of **~\$3M** compared to Q3 FY25

Solid first half of FY26

➤ Price, share gains and timing drive results

Customer wins

- ✓ Metal cutting General Engineering share gain
- ✓ Metal Cutting Transportation share gains
- ✓ Infrastructure Earthworks wins

➤ Progress on initiatives

Continued focus on growth

On track to deliver **\$30M** in restructuring savings

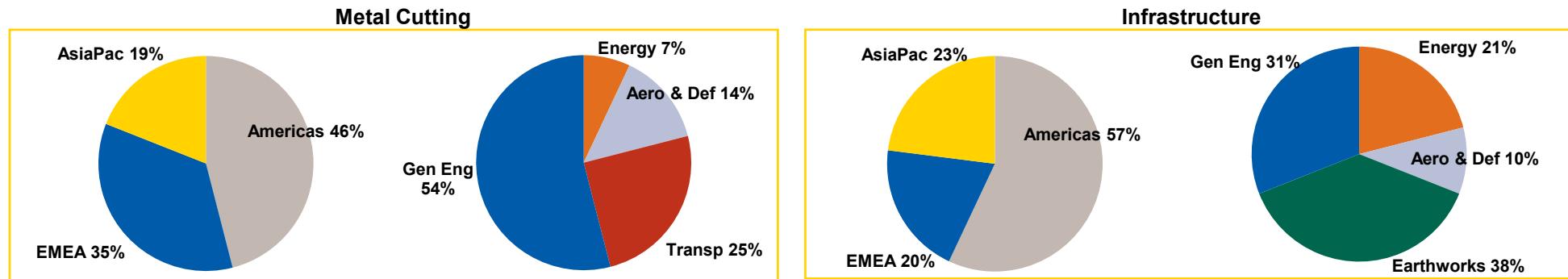
Fully offsetting tariff impact

Appendix

Higher sales and restructuring drive results

Quarter Ended (\$ in millions)	Change from PY	Adjusted		Reported	
		December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Sales	10%	\$530	\$482	\$530	\$482
Organic		10%	(6)%	10%	(6)%
FX		1%	0%	1%	0%
Divestiture		(1)%	0%	(1)%	0%
Business Days		0%	3%	0%	3%
Gross Profit	20%	\$174	\$145	\$174	\$145
% of sales	280 bps	32.9%	30.1%	32.8%	30.1%
Operating Expense	6%	\$116	\$109	\$116	\$109
% of sales	(70) bps	22.0%	22.7%	22.0%	22.7%
EBITDA	35%	\$90	\$67	\$87	\$66
% of sales	320 bps	17.1%	13.9%	16.5%	13.6%
Operating Income	68%	\$56	\$33	\$53	\$32
% of sales	360 bps	10.5%	6.9%	9.9%	6.6%
Effective Tax Rate	50 bps	27.4%	26.9%	27.7%	29.4%
EPS (Earnings per Diluted Share)	89%	\$0.47	\$0.25	\$0.44	\$0.23
Year-to-Date					
Net Cash Flow Provided by Operations	(28)%	\$73	\$101	\$73	\$101
Free Operating Cash Flow (FOCF)	(33)%	\$38	\$57	\$38	\$57

Price realization drives sales growth



Quarter Ending December 31, 2025 (\$ in millions)

	% of KMT total	Metal Cutting	Infrastructure	Total
Sales		\$331	\$198	\$530
Organic	9%	11%	10%	
FX	2%	1%	1%	
Divestiture	0%	(4)% *	(1)%*	
Business Days	0%	0%	0%	0%
Constant Currency Regional Growth:				
Americas	50%	15%	17%	16%
EMEA	30%	3%	(1)%	2%
AsiaPac	20%	9%	8%	9%
Constant Currency End Market Growth:				
General Engineering	45%	9%	5%	8%
Energy	12%	11%	0%	4%
Transportation	16%	3%	N/A	3%
Earthworks	14%	N/A	18%	18%
Aerospace & Defense	13%	19%	33%	23%
Adjusted Operating Income		\$32	\$24	\$56
Adjusted Operating Margin		9.6%	12.3%	10.5%

Strong balance sheet

ASSETS (\$ in millions)	December 31, 2025	June 30, 2025
Cash and cash equivalents	\$129	\$141
Accounts receivable, net	288	295
Inventories	622	538
Other current assets	82	65
Total current assets	1,121	1,039
Property, plant and equipment, net	881	920
Goodwill and other intangible assets, net	346	350
Other assets	247	236
Total assets	\$2,596	\$2,545
LIABILITIES		
Revolving and other lines of credit and notes payable	\$1	\$1
Accounts payable	220	196
Other current liabilities	218	225
Total current liabilities	439	422
Long-term debt	597	597
Other liabilities	201	202
Total liabilities	1,238	1,221
Kennametal Shareowners' Equity	1,315	1,284
Noncontrolling interest	43	41
Total liabilities and equity	\$2,596	\$2,545

* 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 third quarter and full fiscal year of 2026 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.

(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

(\$ in millions, except percents and per share data)	Sales	Gross Profit	Operating Expense	Operating Income	Net Income ⁽⁵⁾	Diluted EPS	Effective Tax Rate
Q2 FY26 Reported Results	\$ 529.5	\$ 173.9	\$ 116.3	\$ 52.7	\$ 33.9	\$ 0.44	27.7 %
Reported Margins		32.8 %	22.0 %	9.9 %			
Restructuring and related charges	—	0.5	—	3.1	2.5	0.03	17.1
Differences in projected annual tax rates	—	—	—	—	(0.2)	—	(17.4)
Q2 FY26 Adjusted Results	\$ 529.5	\$ 174.4	\$ 116.3	\$ 55.7	\$ 36.3	\$ 0.47	27.4 %
Q2 FY26 Adjusted Margins		32.9 %	22.0 %	10.5 %			

⁽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
Q2 FY25 Reported Results	\$ 482.1	\$ 145.0	\$ 109.3	\$ 31.7	\$ 17.9	\$ 0.23	29.4 %
Reported Margins		30.1 %	22.7 %	6.6 %			
Restructuring and related charges	—	—	(0.1)	1.4	1.2	0.01	16.7
Differences in projected annual tax rates	—	—	—	—	0.5	0.01	(19.2)
Q2 FY25 Adjusted Results	\$ 482.1	\$ 145.0	\$ 109.2	\$ 33.1	\$ 19.6	\$ 0.25	26.9 %
Q2 FY25 Adjusted Margins		30.1 %	22.7 %	6.9 %			

Adjusted EBITDA and EBITDA Margin

(\$ in millions, except percents)	Three Months Ended December 31,	
	2025	2024
Net income attributable to Kennametal, reported	\$ 33.9	\$ 17.9
Add back:		
Interest expense	6.1	6.2
Interest income	(0.6)	(0.5)
Provision for income taxes	13.5	7.9
Depreciation	32.0	31.3
Amortization	2.4	2.7
EBITDA	\$ 87.2	\$ 65.5
Margin	16.5 %	13.6 %
 Adjustments:		
Restructuring and related charges	3.1	1.4
Adjusted EBITDA	\$ 90.3	\$ 66.9
Adjusted Margin	17.1 %	13.9 %

Adjusted Segment Operating Income and Margins

(\$ in millions, except percents)	Metal Cutting Sales	Metal Cutting Operating Income	Infrastructure Sales	Infrastructure Operating Income
Q2 FY26 Reported Results	\$ 331.1	\$ 29.8	\$ 198.5	\$ 23.4
Reported Operating Margin		9.0 %		11.8 %
Restructuring and related charges	—	2.1	—	0.9
Q2 FY26 Adjusted Results	\$ 331.1	\$ 31.9	\$ 198.5	\$ 24.3
Q2 FY26 Adjusted Operating Margin		9.6 %		12.3 %

(\$ in millions, except percents)	Metal Cutting Sales	Metal Cutting Operating Income	Infrastructure Sales	Infrastructure Operating Income
Q2 FY25 Reported Results	\$ 297.8	\$ 16.6	\$ 184.3	\$ 15.6
Reported Operating Margin		5.6 %		8.5 %
Restructuring and related charges	—	1.2	—	0.2
Q2 FY25 Adjusted Results	\$ 297.8	\$ 17.8	\$ 184.3	\$ 15.8
Q2 FY25 Adjusted Operating Margin		6.0 %		8.6 %

Organic Sales Growth (Decline)

Three Months Ended December 31, 2025	Metal Cutting	Infrastructure	Kennametal
Organic sales growth	9 %	11 %	10 %
Foreign currency exchange effect	2	1	1
Business days effect	—	—	—
Divestiture effect	—	(4)	(1)
Sales growth	11 %	8 %	10 %

Three Months Ended December 31, 2024	Metal Cutting	Infrastructure	Kennametal
Organic sales decline	(7)%	(4)%	(6)%
Foreign currency exchange effect	—	1	—
Business days effect	3	3	3
Sales decline	(4)%	— %	(3)%

Constant Currency Regional Sales Growth (Decline) – Q2 FY26

Metal Cutting		Americas	EMEA	Asia Pacific
Three Months Ended December 31, 2025				
Constant currency regional sales growth		15 %	3 %	9 %
Foreign currency exchange effect		—	6	(3)
Regional sales growth		15 %	9 %	6 %

Infrastructure		Americas	EMEA	Asia Pacific
Three Months Ended December 31, 2025				
Constant currency regional sales growth (decline)		17 %	(1)%	8 %
Foreign currency exchange effect		—	5	(1)
Divestiture effect		(8)	—	—
Regional sales growth		9 %	4 %	7 %

Kennametal		Americas	EMEA	Asia Pacific
Three Months Ended December 31, 2025				
Constant currency regional sales growth		16 %	2 %	9 %
Foreign currency exchange effect		1	5	(2)
Divestiture effect		(4)	—	—
Regional sales growth		13 %	7 %	7 %

Constant Currency Regional Sales Growth (Decline) – Q2 FY25

Metal Cutting

Three Months Ended December 31, 2024

	Americas	EMEA	Asia Pacific
Constant currency regional sales decline	— %	(10) %	(1) %
Foreign currency exchange effect	(2)	1	1
Regional sales decline	(2) %	(9) %	— %

Infrastructure

Three Months Ended December 31, 2024

	Americas	EMEA	Asia Pacific
Constant currency regional sales growth (decline)	— %	5 %	(6) %
Foreign currency exchange effect	(1)	4	1
Regional sales (decline) growth	(1) %	9 %	(5) %

Kennametal

Three Months Ended December 31, 2024

	Americas	EMEA	Asia Pacific
Constant currency regional sales decline	— %	(7) %	(3) %
Foreign currency exchange effect	(2)	2	1
Regional sales decline	(2) %	(5) %	(2) %

Constant Currency End Market Sales Growth (Decline) – Q2 FY26

Metal Cutting

Three Months Ended December 31, 2025	General Engineering	Transportation	Aerospace & Defense	Energy
Constant currency end market sales growth	9 %	3 %	19 %	11 %
Foreign currency exchange effect	2	2	3	4
<u>End market sales growth</u>	<u>11 %</u>	<u>5 %</u>	<u>22 %</u>	<u>15 %</u>

Infrastructure

Three Months Ended December 31, 2025	Energy	Earthworks	General Engineering	Aerospace & Defense
Constant currency end market sales growth	— %	18 %	5 %	33 %
Foreign currency exchange effect	—	—	1	5
Divestiture effect	(6)	—	(7)	(1)
<u>End market sales (decline) growth</u>	<u>(6) %</u>	<u>18 %</u>	<u>(1) %</u>	<u>37 %</u>

Kennametal

Three Months Ended December 31, 2025	Energy	Earthworks	General Engineering	Transportation	Aerospace & Defense
Constant currency end market sales growth	4 %	18 %	8 %	3 %	23 %
Foreign currency exchange effect	1	—	2	2	3
Divestiture effect	(4)	—	(2)	—	—
<u>End market sales growth</u>	<u>1 %</u>	<u>18 %</u>	<u>8 %</u>	<u>5 %</u>	<u>26 %</u>

Constant Currency End Market Sales Growth (Decline) – Q2 FY25

Metal Cutting		General Engineering	Transportation	Aerospace & Defense	Energy
Three Months Ended December 31, 2024					
Constant currency end market sales (decline) growth		(4) %	(9) %	7 %	(1) %
Foreign currency exchange effect		(1)	—	—	—
End market sales (decline) growth		(5) %	(9) %	7 %	(1) %

Infrastructure		Energy	Earthworks	General Engineering	Aerospace & Defense
Three Months Ended December 31, 2024					
Constant currency end market sales growth (decline)		2 %	(7) %	(2) %	35 %
Foreign currency exchange effect		—	1	1	2
End market sales growth (decline)		2 %	(6) %	(1) %	37 %

Kennametal		Energy	Earthworks	General Engineering	Transportation	Aerospace & Defense
Three Months Ended December 31, 2024						
Constant currency end market sales growth (decline)		1 %	(7) %	(4) %	(9) %	14 %
Foreign currency exchange effect		—	1	—	—	—
End market sales growth (decline)		1 %	(6) %	(4) %	(9) %	14 %

Net Debt and Free Operating Cash Flow

Net Debt (in millions)	Three Months Ended			
	12/31/2025	12/31/2024	12/31/2023	12/31/2022
Total debt (gross)	\$ 598.6	\$ 597.8	\$ 618.9	\$ 673.6
Less: cash and cash equivalents	129.3	121.2	90.7	76.8
Net debt	\$ 469.3	\$ 476.6	\$ 528.2	\$ 596.8

(in millions)	Six Months Ended December 31,	
	2025	2024
Net cash flow provided by operating activities	\$ 72.6	\$ 100.9
Purchases of property, plant and equipment	(35.7)	(44.0)
Proceeds from disposals of property, plant and equipment	1.6	0.4
Free operating cash flow	\$ 38.5	\$ 57.3

Primary Working Capital – Q2 FY26

(in thousands, except percents)	12/31/2025	9/30/2025	6/30/2025	3/31/2025	12/31/2024	Average
Current assets	\$ 1,121,278	\$ 1,032,798	\$ 1,039,270	\$ 1,013,360	\$ 968,774	
Current liabilities	439,350	396,978	422,329	415,626	382,228	
Working capital, GAAP	\$ 681,928	\$ 635,820	\$ 616,941	\$ 597,734	\$ 586,546	
Excluding items:						
Cash and cash equivalents	(129,318)	(103,497)	(140,540)	(97,467)	(121,151)	
Other current assets	(81,835)	(76,093)	(65,092)	(68,960)	(56,848)	
Total excluded current assets	(211,153)	(179,590)	(205,632)	(166,427)	(177,999)	
Adjusted current assets	910,125	853,208	833,638	846,933	790,775	
Revolving and other lines of credit and notes payable	(1,430)	(1,405)	(977)	(12,561)	(1,370)	
Other current liabilities	(217,510)	(202,130)	(225,423)	(210,142)	(182,346)	
Total excluded current liabilities	(218,940)	(203,535)	(226,400)	(222,703)	(183,716)	
Adjusted current liabilities	220,410	193,443	195,929	192,923	198,512	
Primary working capital	\$ 689,715	\$ 659,765	\$ 637,709	\$ 654,010	\$ 592,263	\$ 646,692
Three Months Ended						
	12/31/2025	9/30/2025	6/30/2025	3/31/2025	Total	
Sales	\$ 529,525	\$ 497,974	\$ 516,448	\$ 486,399	\$ 2,030,346	
Primary working capital as a percentage of sales						31.9 %

Primary Working Capital – Q2 FY25

(in thousands, except percents)	12/31/2024	9/30/2024	6/30/2024	3/31/2024	12/31/2023	Average
Current assets	\$ 968,774	\$ 1,003,869	\$ 1,002,592	\$ 999,937	\$ 1,009,820	
Current liabilities	382,228	398,386	415,961	413,245	414,108	
Working capital, GAAP	\$ 586,546	\$ 605,483	\$ 586,631	\$ 586,692	\$ 595,712	
Excluding items:						
Cash and cash equivalents	(121,151)	(119,588)	(127,971)	(92,119)	(90,735)	
Other current assets	(56,848)	(58,390)	(57,179)	(56,708)	(57,753)	
Total excluded current assets	(177,999)	(177,978)	(185,150)	(148,827)	(148,488)	
Adjusted current assets	790,775	825,891	817,442	851,110	861,332	
Revolving and other lines of credit and notes payable	(1,370)	(1,426)	(1,377)	(12,302)	(23,315)	
Other current liabilities	(182,346)	(195,052)	(223,043)	(208,174)	(197,791)	
Total excluded current liabilities	(183,716)	(196,478)	(224,420)	(220,476)	(221,106)	
Adjusted current liabilities	198,512	201,908	191,541	192,769	193,002	
Primary working capital	\$ 592,263	\$ 623,983	\$ 625,901	\$ 658,341	\$ 668,330	\$ 633,764
Three Months Ended						
	12/31/2024	9/30/2024	6/30/2024	3/31/2024	Total	
Sales	\$ 482,051	\$ 481,948	\$ 543,308	\$ 515,794	\$ 2,023,101	
Primary working capital as a percentage of sales						31.3 %

Primary Working Capital – Q2 FY24

(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 %

Primary Working Capital – Q2 FY23

(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 %