

# KADANT

## Thermo Fibertek Announces First Quarter Results

April 25, 2001

WALTHAM, Mass., April 25 /PRNewswire/ -- Thermo Fibertek Inc. (Amex: TFT), a Thermo Electron company, today reported net income of \$3.1 million, or \$.05 per diluted share, for the quarter ended March 31, 2001, compared with \$2.7 million, or \$.04 per diluted share, for the same period last year. Results for the first quarter of 2000 include an after-tax charge of \$0.9 million representing the cumulative effect of adopting the Securities and Exchange Commission's new revenue-recognition rules. Excluding this item, net income would have been \$3.6 million, or \$.06 per diluted share, in the 2000 period.

Revenues for the quarter ended March 31, 2001, were \$58.9 million compared with \$57.9 million in the same period last year. Excluding unfavorable currency effects of \$2.0 million and the net increase of \$0.3 million from acquisitions and dispositions that affected both periods, revenues increased 5 percent over the 2000 quarter.

"I am pleased that we met our financial goals for the first quarter of 2001," said William A. Rainville, president and chief executive officer of Thermo Fibertek. "We are particularly pleased to have met our revenue target for our rapidly expanding fiber-based composites business, with shipments of soundwall and decking systems totaling more than \$0.9 million in the first quarter. We expect to generate positive operating cash flow in our composite building-products business starting in the second half of the year."

### Consolidated Statement of Income (Unaudited)

(In thousands except per share amounts)	Three Months Ended	
	Mar. 31, 2001	Apr. 1, 2000
Revenues	\$58,900	\$57,922
Costs and Operating Expenses:		
Cost of revenues	36,196	34,607
Selling, general, and administrative expenses	15,856	15,831
Research and development expenses	1,792	1,863
	53,844	52,301
Operating Income	5,056	5,621
Interest Income	2,141	2,503
Interest Expense	(1,873)	(1,890)
Income Before Provision for Income Taxes, Minority Interest, and Cumulative Effect of Change in Accounting Principle	5,324	6,234
Provision for Income Taxes	2,219	2,525
Minority Interest (Income) Expense	(24)	149
Income Before Cumulative Effect of Change in Accounting Principle	3,129	3,560
Cumulative Effect of Change in Accounting Principle (net of income taxes of \$580)	-	(870)
Net Income	\$3,129	\$2,690
Basic and Diluted Earnings per Share Before Cumulative Effect of Change in Accounting Principle	\$.05	\$.06
Basic and Diluted Earnings per Share	\$.05	\$.04
Weighted Average Shares:		
Basic	61,387	61,244
Diluted	61,448	61,597

A pre-recorded company update will be available from 5 p.m. EDT today until May 7, 2001. To listen to the recording, call 888-689-6813 within the U.S., or 402-530-0460 outside the U.S. An audio archive will also be available on the Internet until May 7, 2001, accessible through [www.thermo.com](http://www.thermo.com) under "Investor Info" in the "audio archive" section.

Thermo Fibertek Inc. develops, manufactures, and markets a range of equipment and products for the domestic and international papermaking and paper recycling industries, including de-inking systems, stock-preparation equipment, water-management systems, and accessories. Through its majority-owned Thermo Fibergen subsidiary, the company also develops and commercializes composite building materials produced from natural fiber and recycled plastic. Thermo Fibertek is a public subsidiary of Thermo Electron Corporation. More information is available at [www.thermofibertek.com](http://www.thermofibertek.com).

The following constitutes a "Safe Harbor" statement under the Private Securities Litigation Reform Act of 1995: This press release contains forward-looking statements that involve a number of risks and uncertainties. Important factors that could cause actual results to differ materially from those indicated by such forward-looking statements are set forth under the heading "Forward-looking Statements" in Exhibit 13 to the company's annual report on Form 10-K for the year ended December 30, 2000. These include risks and uncertainties relating to: dependence on the paper industry and pulp and paper prices, international operations, competition, ability to enter the composites market, dependence on patents and proprietary rights, acquisition strategy, fluctuations in quarterly operating results, and the proposed spinoff of the company.

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