



## **Kadant Receives \$8 Million in Orders for Paper Recycling Systems to be Installed in China**

July 10, 2002

ACTON, Mass., Jul 10, 2002 (BUSINESS WIRE) -- Kadant Inc. (ASE:KAI) announced that its Kadant Black Clawson Inc. subsidiary has received multiple orders totaling more than \$8 million during the second quarter for stock-preparation systems that will be used to recycle pulp fiber at mills in China.

The largest order, for \$4.2 million, is for a complete stock-preparation system for Guangdong Dongguan Huangchong Yinzhou Paper Co. Ltd. in Guangdong Province. The system will remove impurities from recycled pulp, and clean, screen, and refine the pulp fiber before it is fed into a new paper machine scheduled to begin operation in 2003 for the production of brown corrugated board.

Another order, valued at \$2.9 million, was placed by Refreshing Pharmaceutical Industrial Co. for a de-inking line that will be installed in the company's new pulp mill in Feicheng, Shandong, in 2003. The Feicheng mill, a new business venture for Refreshing Pharmaceutical, will use the system to process mixed office waste for the production of pulp sold in the open market.

Kadant Black Clawson received additional orders during the quarter totaling more than \$1 million for various stock-preparation products to be installed in China mills.

"We are pleased to add these significant orders to our backlog," said William A. Rainville, chairman and chief executive officer of Kadant. "The Asian pulp and paper markets are an important part of our papermaking systems growth strategy. Through Kadant Black Clawson, we can offer our customers in China leading-edge technology and service - for optimal quality and efficiency in the production of both white and brown paper grades. Our global presence continues to be a key advantage, allowing us to seize new opportunities in markets, such as China, that are just now developing."

Kadant Black Clawson is a complete fiberline process equipment supplier based in Mason, Ohio, and is a leader in the design and manufacture of equipment used in paper recycling, chemical pulp, and paper machine approach-flow systems.

Kadant Inc. is a leading supplier of a range of products for the global papermaking and paper recycling industries, including de-inking systems, stock-preparation equipment, water-management systems, and papermaking accessories. The company also develops and manufactures composite building materials produced from natural fiber and recycled plastic. Kadant, based in Acton, Massachusetts, reported \$221 million in revenues in 2001 and employs approximately 1,100 people worldwide. For more information, please visit [www.kadant.com](http://www.kadant.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 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 fiscal year ended December 29, 2001, as amended. These include risks and uncertainties relating to the company's: dependence on the paper industry, international operations, competition, ability to manufacture and distribute composite building products and the long-term performance of such products, acquisition strategy, dependence on patents and proprietary rights, fluctuations in quarterly operating results, and financial covenants and other obligations arising from the spinoff of the company from Thermo Electron Corporation. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future events, or otherwise.

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