



Kadant to Supply Systems Worth \$3.7 Million for New Paper Recycling Mill in China

September 10, 2002

ACTON, Mass., Sep 10, 2002 (BUSINESS WIRE) -- Kadant Inc. (ASE:KAI) announced that its Kadant Black Clawson Inc. subsidiary has received an order for paper recycling and approach-flow systems valued at \$3.7 million from Jiangsu Wonder Paper Manufacturing Co., Ltd., part of the Hong Kong-based Multi Mega Persada group. The equipment will be installed in a mill being built in Jiangsu Province, China, for the production of recycled linerboard. The mill is scheduled to begin operation in the first half of 2003.

Kadant will provide a complete stock-preparation system consisting of pulpers, de-trashing equipment, cleaners, screening systems, refiners, and clarifiers that will separate usable fiber from recycled material at a rate of 500 metric tons per day. The order also includes an approach-flow system that further processes the pulp mixture before entry into the paper machine, which will produce high-quality linerboard used in packaging materials.

"With this new mill and a corrugated-box plant that has been proposed, Wonder Paper is making significant investments that will allow it to expand into linerboard production," said William A. Rainville, chairman and chief executive officer of Kadant. "We are pleased to have been chosen as a supplier of critical components for this major project - a result of the confidence that paper producers have in our technology and our worldwide customer support."

Kadant Black Clawson is a fiberline process equipment supplier based in Mason, Ohio, and 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.

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 the company's quarterly report on Form 10-Q for the fiscal quarter ended June 29, 2002. 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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