



Kadant Receives \$3.6 Million Order for Recycling System from Chinese Paper Producer

September 10, 2003

ACTON, Mass.--(BUSINESS WIRE)--Sept. 10, 2003--Kadant Inc. (NYSE:KAI) announced that it will supply paper recycling equipment valued at \$3.6 million to global containerboard producer Lee & Man Paper International Ltd. for its new mill in Changsu, China, near Shanghai. The system, designed to recover usable fiber from wastepaper and prepare it for entry into the paper machine, will be integral to the production of recycled corrugated board at the mill.

This complete stock-preparation system will be supplied by the company's Kadant Black Clawson Inc. subsidiary, and includes equipment for pulping, screening, and cleaning recovered fiber. The order is another in a series of Kadant recycling systems purchased by Lee & Man for a major mill expansion project that will double its production of various types of packaging materials.

"We are pleased that our stock-prep systems have again been selected by Lee & Man - a long-time Kadant customer - to be part of their current mill expansion program," said William A. Rainville, chairman and chief executive officer of Kadant. "As paper producers in China add mill capacity to meet growing demand, Kadant continues to be recognized as a leading supplier of advanced recycling technologies that can play a critical role in the production of top-quality packaging materials."

Kadant Black Clawson Inc., based in Mason, Ohio, is a leading fiberline process equipment supplier that designs, manufactures, and services equipment used in paper recycling, chemical pulping, 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 stock-preparation equipment, water-management systems, and papermaking accessories. We also develop and manufacture composite building materials produced from recycled fiber and plastic. Kadant, based in Acton, Massachusetts, reported \$186 million in revenues in 2002 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, including forward-looking statements regarding our business in China and the Chinese market. Important factors that could cause actual results to differ materially from those indicated by such statements are set forth under the heading "Risk Factors" in Kadant's quarterly report on Form 10-Q for the second quarter ended June 28, 2003. These include risks and uncertainties relating to our dependence on the pulp and paper industry; international sales and operations; competition; ability to manufacture and distribute composite building products, and the seasonality in sales and the long-term performance of such products; availability of raw materials and exposure to commodity price fluctuations related to the manufacture of composite and fiber-based products; acquisition strategy; protection of patents and proprietary rights; fluctuations in quarterly operating results; and obligations or other consequences arising from our spinoff 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.

CONTACT: Kadant Inc.
Investor contact:
Thomas M. O'Brien, 978-776-2000
or
Media contact:
GreatPoint Communications, 978-392-6866

SOURCE: Kadant Inc.