



Kadant Receives Order for Nearly \$4 Million from Major North American Paper Producer

May 10, 2004

ACTON, Mass.--(BUSINESS WIRE)--May 10, 2004--Kadant Inc. (NYSE:KAI) has received an order from a major North American paper producer for a pulping system valued at approximately \$4 million. The system will be supplied by the company's Kadant Black Clawson Inc. subsidiary.

William A. Rainville, chairman and chief executive officer of Kadant, said, "This is one of the largest single orders that we've received from a North American paper producer in the past few years. We have been starting to see some early signs of improvement in the industry, with significant declines in inventories in some paper grades driving pricing and operating rates higher. While any recovery will likely be slow and sporadic, we are encouraged that some of our major customers have reported stronger-than-expected results so far this year."

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 paper machine accessories. We also develop and manufacture composite building materials produced from recycled fiber and plastic. Kadant, based in Acton, Massachusetts, had approximately \$204 million in revenues in 2003 and 1,000 employees 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 the potential improvement or recovery of the paper industry. 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 year-end report on Form 10-K for the fiscal year ended January 3, 2004. 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 anti-takeover provisions. 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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