



Kadant Receives Approximately \$5 Million in Orders from China for Stock-Preparation Systems

July 18, 2005

ACTON, Mass.--(BUSINESS WIRE)--July 18, 2005--Kadant Inc. (NYSE:KAI) has received approximately \$5 million in orders for stock-preparation systems from Ningxia Meili Paper Industry Co., Ltd., a Chinese producer of a range of paper products, from linerboard to fine stationery. The company's Kadant Black Clawson Inc. subsidiary will supply two systems for recovering usable fiber from recycled paper and three systems for processing virgin pulp. The equipment, expected to ship in early 2006, will increase production capacity of coated whiteboard, a packaging material suitable for the printing of color graphics.

"Once again, a major paper producer in China has chosen Kadant's advanced systems for the production of its premium-grade products," said William A. Rainville, chairman and chief executive officer of Kadant. "These contracts were in our pipeline awaiting financing approval from the Chinese government. China's growing pulp and paper industry continues to offer excellent opportunities for applying Kadant's leading stock-preparation technologies to the efficient production of a range of high-quality paper grades."

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 applications.

Kadant Inc. is a leading supplier to the global pulp and paper industry, with a range of products and services for improving efficiency and quality in pulp and paper production, including paper machine accessories, and systems for stock preparation, fluid handling, and water management. Our fluid-handling products are also used to optimize production in the steel, rubber, plastics, food, and textile industries. In addition, we produce granules from papermaking byproducts for agricultural and lawn and garden applications. Kadant is based in Acton, Massachusetts, and, with the addition of Kadant Johnson in May 2005, has annual revenues of approximately \$270 million and approximately 1,500 employees worldwide. For more information, 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 demand for our products and business opportunities in China. 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 period ended April 2, 2005. These include risks and uncertainties relating to our dependence on the pulp and paper industry; international sales and operations; competition; increase in our debt; restrictions in our credit agreement; our ability to successfully integrate Kadant Johnson; our acquisition strategy; our ability to complete the proposed restructuring of our French subsidiary; ability to sell the composite building products business on favorable terms; ability to manufacture and distribute composite building products, and the economic conditions, 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; 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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