



Kadant Receives Order for More than \$3 Million from Major Paper Producer in China

January 4, 2006

ACTON, Mass.--(BUSINESS WIRE)--Jan. 4, 2006--Kadant Inc. (NYSE:KAI) today announced that it recently received an order for stock-preparation equipment valued in excess of \$3 million from Lee & Man Paper Industries Co., Ltd., for its Dongguan Mill in China's Guangdong Province. The system, to be supplied by the company's Kadant Black Clawson Inc. subsidiary, will be used to process recycled corrugated containers for the production of linerboard used in packaging.

"We're pleased to finish 2005 by booking this major order from one of our long-time customers in China," said William A. Rainville, chairman and chief executive officer of Kadant Inc. "Lee & Man, along with a number of other innovative paper producers there, continues to rely on Kadant's advanced stock-preparation technologies to increase its production of high-quality recycled linerboard. Aside from this recent order, the number of capacity expansion projects at various stages of development in China leads us to remain optimistic about the opportunities in that market going into 2006."

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 technologies in China and the business and industry outlook 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 October 1, 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 restructuring of our French subsidiary; retention of liabilities and warranty claims associated with composite building products manufactured prior to the sale of the business; availability of raw materials and exposure to commodity price fluctuations related to the manufacture of 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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