



Kadant Receives Order for Approximately \$16 Million From Major Paper Producer in Asia

March 27, 2006

ACTON, Mass.--(BUSINESS WIRE)--March 27, 2006--Kadant Inc. (NYSE:KAI) today announced that it has received the largest single order in its history - for approximately \$16 million in stock-preparation systems from a leading paper producer in Asia. The equipment, to be supplied by the company's Kadant Black Clawson Inc. subsidiary, will be used to recover and process fiber from waste paper for the production of recycled linerboard and other packaging materials.

"We are extremely pleased that our advanced stock-preparation equipment has been selected for this major capacity expansion project in Asia," said William A. Rainville, chairman and chief executive officer of Kadant. "This order - together with the order for more than \$7 million from China that we announced in January - gets us off to a strong start in Asia in 2006. As a leading supplier of innovative technologies and systems to the global pulp and paper industry, we continue to play an important role in Asia's addition of capacity to meet growing demand."

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, with approximately \$244 million in revenues and 1,400 employees in 16 countries 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 about our business and opportunities in Asia and demand for our products. 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 annual report on Form 10-K for the fiscal year ended December 31, 2005. These include risks and uncertainties relating to our dependence on the pulp and paper industry; international sales and operations; competition; our debt obligations; restrictions in our credit agreement; retention of liabilities and warranty claims associated with composite building products manufactured prior to the sale of the business; our ability to successfully integrate Kadant Johnson; our ability to complete the acquisition of a manufacturing and assembly plant in China; our acquisition strategy; our ability to realize the anticipated benefits from the restructuring of our French subsidiary; the impact of high natural gas prices on the manufacture of fiber-based products; availability of raw materials 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.

CONTACT: Kadant Inc.

Investor contact:

Thomas M. O'Brien, 978-776-2000

or

Media contact:

GreatPoint Communications, 978-392-6866

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