



## **Kadant Receives \$18 Million in Orders from Asia and Announces an Additional \$10 Million in Pending Orders**

March 7, 2007

WESTFORD, Mass.--(BUSINESS WIRE)--March 7, 2007--Kadant Inc. (NYSE:KAI) today announced that its Kadant Black Clawson Inc. subsidiary has received three separate orders for stock-preparation systems with a combined value of approximately \$18 million from a leading producer of linerboard in Asia.

Kadant Black Clawson has also been awarded two additional contracts for stock-preparation systems from customers in Asia with a value in excess of \$10 million that will be recorded as orders when the down payments are received. The down payments are currently expected in the second quarter of 2007. The timing and receipt of the down payments are subject to a number of uncertainties, and there can be no assurance the company will be able to record and recognize revenue on these contracts.

"These orders, together with the pending orders awaiting down payments, total approximately \$28 million - an outstanding start for our Asian business in 2007," said William A. Rainville, chairman and chief executive officer of Kadant. "All this business, which was included in our 2007 revenue and earnings guidance, gives us increased confidence in our ability to achieve our targets for 2007. We are pleased that the leading paper producers in the region continue to recognize and value our leading-edge technologies and have selected Kadant as their supplier of choice for their advanced stock-preparation processes."

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 Westford, Massachusetts, with revenues of \$342 million in 2006 and approximately 2,000 employees in 16 countries worldwide. For more information, visit [www.kadant.com](http://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 expected future financial and operating performance, our ability to obtain down payments and recognize revenue, and demand for our products

-more- in Asia. 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 September 30, 2006. These include risks and uncertainties relating to our dependence on the pulp and paper industry; significance of sales from China; 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 Jining; 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.

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SOURCE: Kadant Inc.