



Kadant Receives \$8.0 Million Order for Black Liquor Evaporator Recycling System

August 23, 2007

WESTFORD, Mass.--(BUSINESS WIRE)--Aug. 23, 2007--Kadant Inc. (NYSE:KAI) today announced that its Kadant Black Clawson Inc. subsidiary has received an order of approximately \$8 million from a kraft bleached pulp mill in the United States to design, engineer, and procure materials for a six-effect falling film evaporation system. The multiple effect evaporators remove water from the chemical solution used to break down the wood fiber (black liquor) as part of the recovery and recycling of chemicals during the kraft pulping process. The mill has an option until the end of March 2008 to approve a second phase of the project that would include manufacturing and installation of the system, at which time the total value of the order could increase to approximately \$20 million.

"By upgrading its evaporation system with our technology this mill expects to realize significant energy savings" said William A. Rainville, chairman and chief executive officer of Kadant. "We believe this project will provide a solid return on investment and lower the customer's manufacturing cost per ton."

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 2,000 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 technologies, cost savings and investment returns associated with our products, and potential future orders. 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 June 30, 2007. These include risks and uncertainties relating to our dependence on the pulp and paper industry; significance of sales and operation of manufacturing facilities in China; international sales and operations; competition; our debt obligations; restrictions in our credit agreement; our discontinued operation; our acquisition strategy; future restructurings; factors influencing our 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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