



Kadant Receives \$7 Million Recycling Order for Greenfield Mill

December 10, 2007

WESTFORD, Mass.--(BUSINESS WIRE)--Dec. 10, 2007--Kadant Inc. (NYSE:KAI) today announced that it has received an order of approximately \$7 million for a stock-preparation system for a mill to be built in the southern United States. The system, which includes approach flow screens, spare parts, and related services, will produce 1,000 tons per day of linerboard from OCC and mixed waste paper.

"This is the first greenfield OCC mill to be built in the US in over ten years, and demonstrates the improving condition of the containerboard industry in North America," said William A. Rainville, chairman and chief executive officer of Kadant. "Kadant is a leading supplier of recycling systems worldwide and we are pleased that our advanced technologies were selected for this important project."

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 the containerboard industry, and our products, technologies, and market reputation. 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 29, 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; litigation and warranty costs related to 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.

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