



## Kadant Receives Orders of \$26 Million in the U.S. and Asia

January 7, 2008

WESTFORD, Mass.--(BUSINESS WIRE)--Jan. 7, 2008--Kadant Inc. (NYSE:KAI) today announced that its Kadant Black Clawson Inc. subsidiary has received the second and final portion of an order for approximately \$11 million from a kraft pulp mill in the United States to design, engineer, and procure materials for a six-effect falling film evaporation system. The first portion of this order, which totaled \$8 million, was announced in August 2007. The multiple effect evaporators remove water from the black liquor solution used to break down the wood fiber as part of the recovery and recycling of chemicals during the kraft pulping process.

Kadant also announced that its Kadant Black Clawson Inc. subsidiary has received the down payments for two pending orders totaling approximately \$15 million for stock-preparation systems from a leading linerboard producer in Asia. The systems will be used to produce linerboard from recycled fiber. These orders were part of the \$22 million of pending orders awaiting down payments previously announced in September 2007. The down payments for the remaining \$7 million of these pending orders are currently anticipated to be received in the second quarter of 2008.

"The evaporation system, which will reduce energy consumption and simplify operations, shows the continued emphasis on energy savings valued by our customer base. The orders from Asia further demonstrate customer confidence in Kadant technology and reflect our strong market presence in that region" said William A. Rainville, chairman and chief executive officer of Kadant.

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](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 the Asian pulp and paper industry, our products, technologies, expertise and market reputation, and potential future orders. There can be no assurance that we will be able to record and recognize revenues on the pending orders described in this release. 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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SOURCE: Kadant Inc.