



## **Kadant Receives \$17.6 Million in Orders for Recycling Systems from China and Announces an Additional \$7.6 Million in Pending Orders**

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WESTFORD, Mass., Dec 02, 2010 (BUSINESS WIRE) --

Kadant Inc. (NYSE:KAI) today announced that it has received orders totaling \$17.6 million for eight stock-preparation systems from four containerboard producers in China since the beginning of the fourth quarter of 2010. Included in the total were \$14.1 million of pending orders that were previously disclosed in the Company's press release issued October 27, 2010 and for which the Company has since received down payments. All of the systems are scheduled for delivery in the second half of 2011.

Kadant also announced that it has been awarded additional contracts from three containerboard producers in China for four approach flow systems and two recycling systems for linerboard production with a combined value of \$7.6 million. These pending orders will be recorded as orders when the down payments are received. 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 pending orders.

"These orders demonstrate the dynamic growth of paper production in China as well as our strong position in that market," said Jonathan W. Painter, president and chief executive officer of Kadant. "The recycling systems integrate Kadant's latest technology to reduce energy consumption and improve fiber yield while the deinking systems, included with two of the orders, will provide deinked pulp to serve the rapidly growing white top linerboard market in China."

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. The Company's fluid-handling products are also used to optimize production in the steel, rubber, plastics, food, and textile industries. In addition, Kadant produces granules from papermaking byproducts for agricultural and lawn and garden applications. Kadant is based in Westford, Massachusetts, with revenues of \$226 million in 2009 and 1,600 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 products, technologies, customers, growth opportunities in China, and pending orders. There can be no assurance that we will be able to record bookings or 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 October 2, 2010. These include risks and uncertainties relating to our dependence on the pulp and paper industry; poor relations with a major paper producer in China; significance of sales and operation of manufacturing facilities in China; international sales and operations; competition; soundness of suppliers and customers; our debt obligations; restrictions in our credit agreement; soundness of financial institutions; litigation and warranty costs related to our discontinued operation; our acquisition strategy; future restructurings; factors influencing our fiber-based products business; protection of patents and proprietary rights; fluctuations in our share price; 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.

SOURCE: Kadant Inc.

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