



Kadant Expands PAAL Business into North America

January 26, 2017

Awarded First US Order for Channel Baler Appoints Distributor for Material Recycling Market in U.S. and Canada

WESTFORD, Mass.--(BUSINESS WIRE)--Jan. 26, 2017-- Kadant Inc. (NYSE:KAI) announced today it has appointed Bulk Handling Systems (BHS) as the exclusive distributor of its high-performance balers to material recycling facilities in the U.S. and Canada. Through BHS, Kadant has been awarded its first U.S. order for a channel baler to be installed at the regional waste recovery facility in Monterey, California.

The appointment of BHS represents another important step in Kadant's strategy to drive revenue synergies following its April 2016 acquisition of PAAL GROUP, the leading European manufacturer of horizontal balers used to process both recyclable materials, including paper and plastics, and non-recyclable materials such as treated household/commercial waste and agricultural products.

"We are pleased to be entering this segment of the North American recycling market with BHS, a leader in the design and manufacture of large scale sorting systems. Our high quality, German-engineered balers are uniquely aligned with BHS' commitment to performance and quality. We are honored that Kadant's first U.S. baler will be part of the advanced materials recovery facility BHS is constructing in Monterey, California. This facility will be operated by the Monterey Regional Waste Management District, an award-winning 65-year-old operation recognized as one of the best solid waste systems in North America," said Jonathan Painter, president and chief executive officer of Kadant Inc.

"We believe Kadant's channel baler offers our customers a combination of cutting-edge technology and performance that is uniquely well suited to the needs of sophisticated, large-scale recycling facilities. We look forward to partnering on future projects that require efficient, high-quality equipment," noted Steve Miller, chief executive officer of BHS.

Kadant will debut its balers in the U.S. market at the Waste Expo 2017, which takes place in New Orleans May 9-11.

About Kadant

Kadant Inc. (NYSE:KAI) is a global supplier of high-value, critical components and engineered systems used in process industries worldwide. The Company's products, technologies, and services play an integral role in enhancing process efficiency, optimizing energy utilization, and maximizing productivity in resource-intensive industries. Kadant is based in Westford, Massachusetts, with 2,000 employees in 18 countries worldwide. For more information, visit www.kadant.com.

About Bulk Handling Systems (BHS)

Headquartered in Eugene, Oregon, BHS is a worldwide leader in the innovative design, engineering, manufacturing, and installation of sorting systems and components for the solid waste, recycling, waste-to-energy, and construction and demolition industries. Wholly-owned subsidiaries include Nihot, NRT, and Zero Waste Energy. For more information, visit www.bulkhandlingsystems.com.

Safe Harbor Statement

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 and technologies. Our actual results may differ materially from these forward-looking statements as a result of various important factors, including those set forth under the heading "Risk Factors" in Kadant's annual report on Form 10-K for the year ended January 2, 2016 and subsequent filings with the Securities and Exchange Commission. These include risks and uncertainties relating to adverse changes in global and local economic conditions; the variability and difficulty in accurately predicting revenues from large capital equipment and systems projects; the variability and uncertainties in sales of capital equipment in China; currency fluctuations; our customers' ability to obtain financing for capital equipment projects; changes in government regulations and policies; oriented strand board market and levels of residential construction activity; development and use of digital media; price increases or shortages of raw materials; dependence on certain suppliers; international sales and operations; economic conditions and regulatory changes caused by the United Kingdom's likely exit from the European Union; disruption in production; our acquisition strategy; our internal growth strategy; competition; soundness of suppliers and customers; our effective tax rate; future restructurings; soundness of financial institutions; our debt obligations; restrictions in our credit agreement; loss of key personnel; reliance on third-party research; protection of patents and proprietary rights; failure of our information systems or breaches of data security; 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.

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