

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of report (Date of earliest event reported): February 23, 2012

KADANT INC.

(Exact Name of Registrant as Specified in its Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

1-11406
(Commission File Number)

52-1762325
(IRS Employer
Identification No.)

One Technology Park Drive
Westford, Massachusetts
(Address of Principal Executive Offices)

01886
(Zip Code)

(978) 776-2000
Registrant's telephone number, including area code

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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KADANT INC.

Item 2.02 Results of Operations and Financial Condition.

On February 23, 2012, Kadant Inc. (the "Company") will hold a webcast and conference call to discuss its financial results for the fiscal quarter and year ended December 31, 2011. A copy of the slides that will be presented on the webcast and discussed in the conference call is being furnished as Exhibit 99 to this Current Report on Form 8-K.

The information in this Form 8-K (including Exhibit 99) shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 (the "Exchange Act") or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, except as expressly set forth by specific reference in such a filing.

Item 9.01 Financial Statements and Exhibits.

(c) Exhibit

The following exhibit relating to Item 2.02 shall be deemed to be furnished and not filed.

Exhibit

No

Description of Exhibit

99

Slides to be presented by the Company on February 23, 2012

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

KADANT INC.

Date: February 23, 2012

By

/s/ Thomas M. O'Brien
Thomas M. O'Brien
Executive Vice President and
Chief Financial Officer

Fourth Quarter 2011 Business Review

Jonathan W. Painter, President & CEO

Thomas M. O'Brien, Executive Vice President & CFO

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Forward-Looking Statements

The following constitutes a “Safe Harbor” statement under the Private Securities Litigation Reform Act of 1995: This presentation contains forward-looking statements that involve a number of risks and uncertainties, including forward-looking statements about our expected future financial and operating performance, demand for our products, and industry and economic outlook. 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 quarterly report on Form 10-Q for the quarter ended

October 1, 2011. 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; our ability to expand capacity in China to meet demand; commodity and component price increases or shortages; international sales and operations; competition; soundness of suppliers and customers; our effective tax rate; future restructurings; soundness of financial institutions; our debt obligations; restrictions in our credit agreement; litigation and warranty costs related to our discontinued operation and court approval of the recently filed settlement; our acquisition strategy; 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.

Use of Non-GAAP Financial Measures

In addition to the financial measures prepared in accordance with generally accepted accounting principles (GAAP), we use certain non-GAAP financial measures, including increases or decreases in revenues excluding the effect of foreign currency translation, adjusted operating income, adjusted net income, adjusted diluted earnings per share, earnings before interest, taxes, depreciation, and amortization (EBITDA), and adjusted EBITDA.

A reconciliation of those numbers to the most directly comparable U.S. GAAP financial measures is shown in our 2011 fourth quarter earnings press release issued February 22, 2012, which is available in the Investors section of our website at www.kadant.com under the heading Investor News.

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Financial Classifications

All geographic revenues and bookings data are attributed to regions based on selling locations. For North America and China, this usually approximates revenues and bookings based on where the equipment is shipped to and installed. Our European geographic data, however, includes revenues and bookings that may be shipped to and installed outside Europe, including South America, Africa, the Middle East, and certain countries in Asia (excluding China).

Prior period amounts for Parts and Consumables revenues and bookings have been reclassified to include amounts from our Fiber-based products and “other” category within the Papermaking Systems segment.

Beginning with 2011, our Accessories product line is reported as Doctoring.

Jonathan W. Painter
President & CEO



BUSINESS REVIEW

Q4 2011 Financial Highlights

	Q4 2011	Q4 2010
Revenue	\$97.0 million	\$73.3 million
Diluted EPS ¹	\$0.90	\$0.41
Adjusted Diluted EPS ²	\$0.59	\$0.42
Adjusted EBITDA ²	\$11.5 million	\$8.7 million
Adjusted EBITDA ² /Sales	11.9%	11.9%

¹ Diluted EPS is for continuing operations.

² Adjusted Diluted EPS and Adjusted EBITDA (earnings before interest, taxes, depreciation, and amortization) are non-GAAP financial measures that exclude certain items as detailed in our Q4 2011 earnings press release issued February 22, 2012.

Other Highlights from Q4 2011

- Adjusted operating income¹ up 41%
- Cash flow from operations was \$14.9 million
- Repurchased \$6.6 million of common stock
- Net cash position of \$35.4 million
- Spares bookings up 7%

¹ Adjusted operating income is a non-GAAP financial measure that excludes certain items as detailed in our Q4 2011 earnings press release issued February 22, 2012.

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2011 Financial Highlights

	2011	2010
Revenues	\$335.5 million	\$270.0 million
Diluted EPS ¹	\$2.74	\$1.48
Adjusted Diluted EPS ²	\$2.10	\$1.41
Adjusted EBITDA ²	\$44.8 million	\$31.2 million
Adjusted EBITDA ² /Sales	13.3%	11.5%
Return on Total Capital ^{2,3}	13.7%	10.4%

1 Diluted EPS is for continuing operations.

2 Adjusted diluted EPS, adjusted EBITDA (earnings before interest, taxes, depreciation, and amortization), and adjusted net income are non-GAAP financial measures that exclude certain items as detailed in our Q4 2011 earnings press release issued February 22, 2012.

3 Return on total capital is based on adjusted net income divided by the sum of shareholders' investment and net debt.

Revenue By Product Line: Q4 2011

\$97.0 million, up 32% compared to Q4 2010

(\$ Millions)	Q4 2011	Q4 2010	% CHANGE	EXCL. FX
Stock-Preparation	\$ 43.2	\$ 28.9	49%	47%
Fluid-Handling	28.2	21.6	31%	31%
Doctoring	13.5	13.8	-2%	-1%
Water-Management	9.2	6.6	40%	41%
Fiber-based Products	2.2	1.8	22%	22%
Other	0.7	0.6	12%	24%
TOTAL	\$ 97.0	\$ 73.3	32%	32%

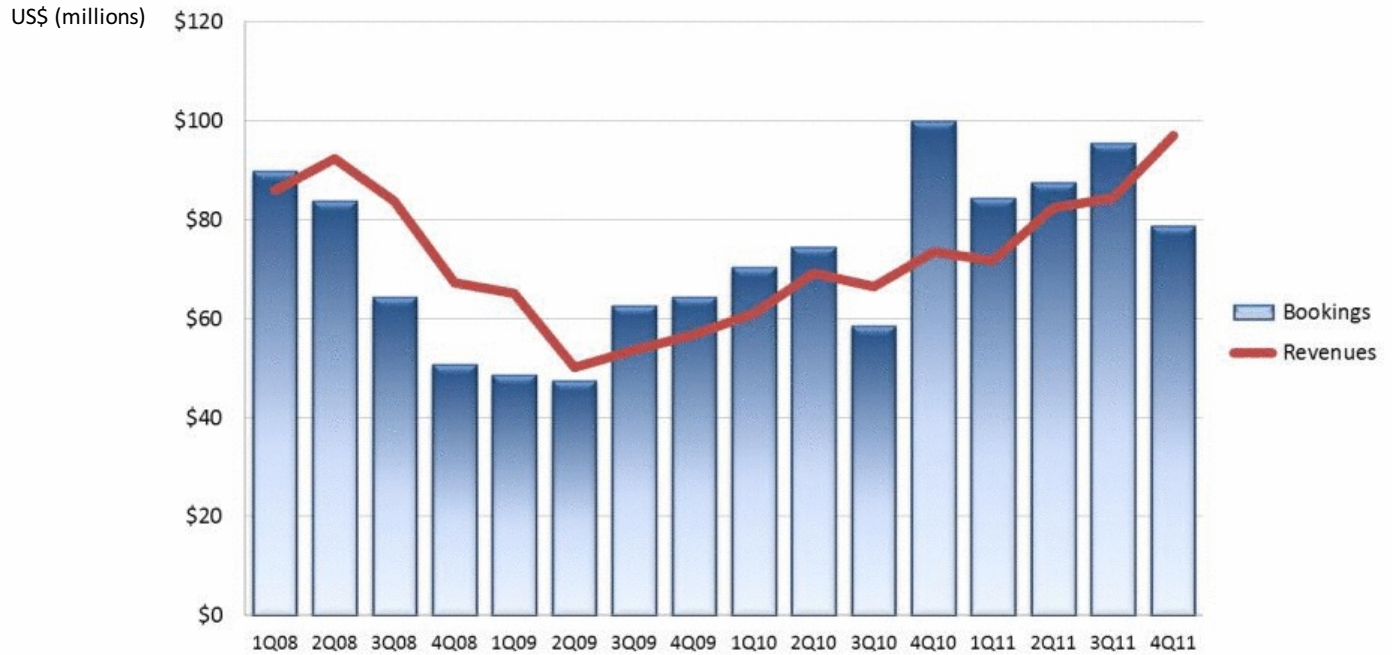
Percent change calculated using actual numbers reported in our Q4 2011 earnings release dated February 22, 2012.

Bookings By Product Line: Q4 2011

\$78.7 million, down 21% compared to Q4 2010

(\$ Millions)	Q4 2011	Q4 2010	% CHANGE	EXCL. FX
Stock-Preparation	\$ 27.8	\$ 53.0	-47%	-48%
Fluid-Handling	22.6	21.9	3%	3%
Doctoring	12.6	14.0	-10%	-9%
Water-Management	11.6	7.5	53%	53%
Fiber-based Products	3.5	2.8	25%	25%
Other	0.6	0.6	-7%	3%
TOTAL	\$ 78.7	\$ 99.8	-21%	-21%

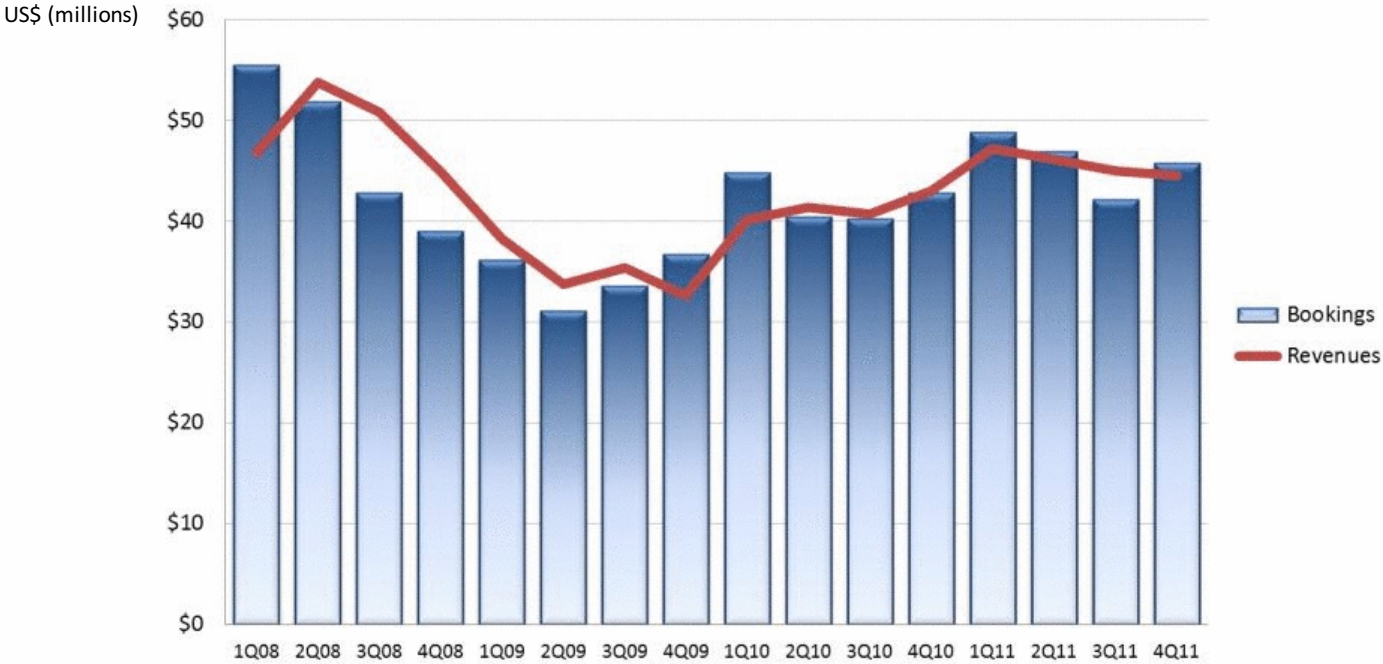
Bookings and Revenues Trends



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Parts and Consumables Bookings and Revenues



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REGIONAL PERFORMANCE

North America Bookings and Revenues



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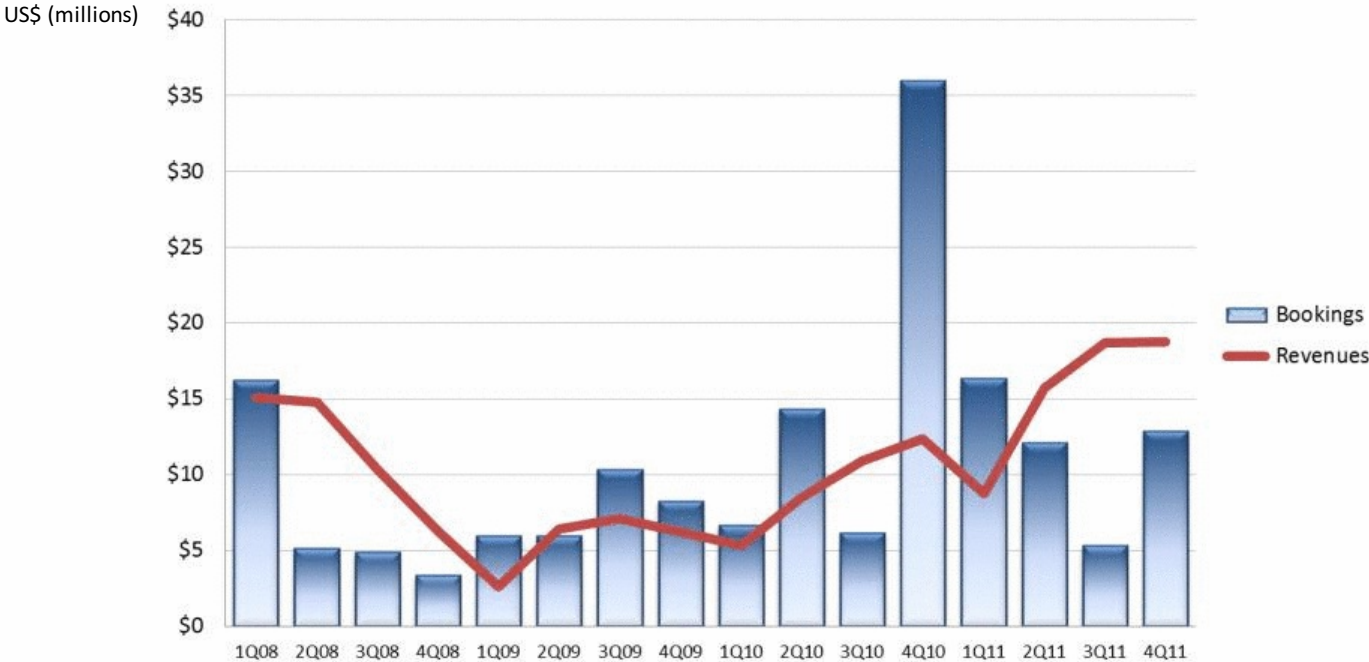
Europe Bookings and Revenues



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China Bookings and Revenues



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Guidance for Continuing Operations

- Q1 2012 revenues of \$82 to \$84 million
- Q1 2012 GAAP diluted EPS of \$0.41 to \$0.43
- FY 2012 revenues of \$330 to \$340 million
- FY 2012 GAAP diluted EPS of \$1.95 to \$2.05

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Thomas M. O'Brien

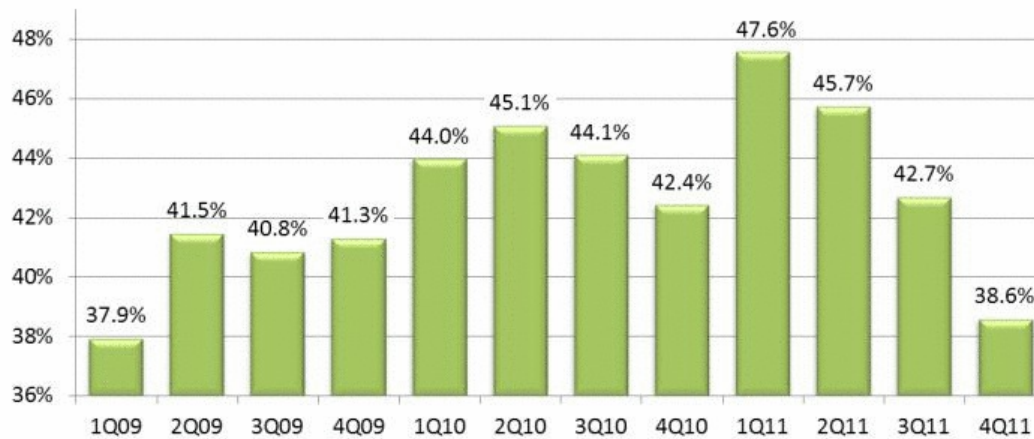
Executive Vice President & Chief Financial Officer

FINANCIAL REVIEW



Gross Margins

	4Q11	3Q11	4Q10	Sequential Δ	Y-O-Y Δ
Papermaking Systems Segment	38.3%	42.8%	42.4%	-4.5%	-4.1%
Fiber-based Products	49.9%	36.5%	41.8%	+13.4%	+8.1%
TOTAL	38.6%	42.7%	42.4%	-4.1%	-3.8%

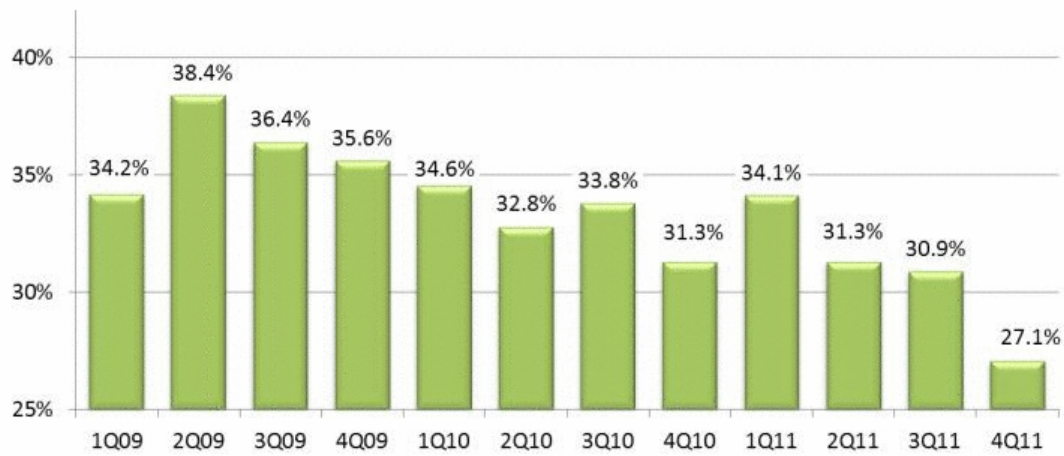


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SG&A

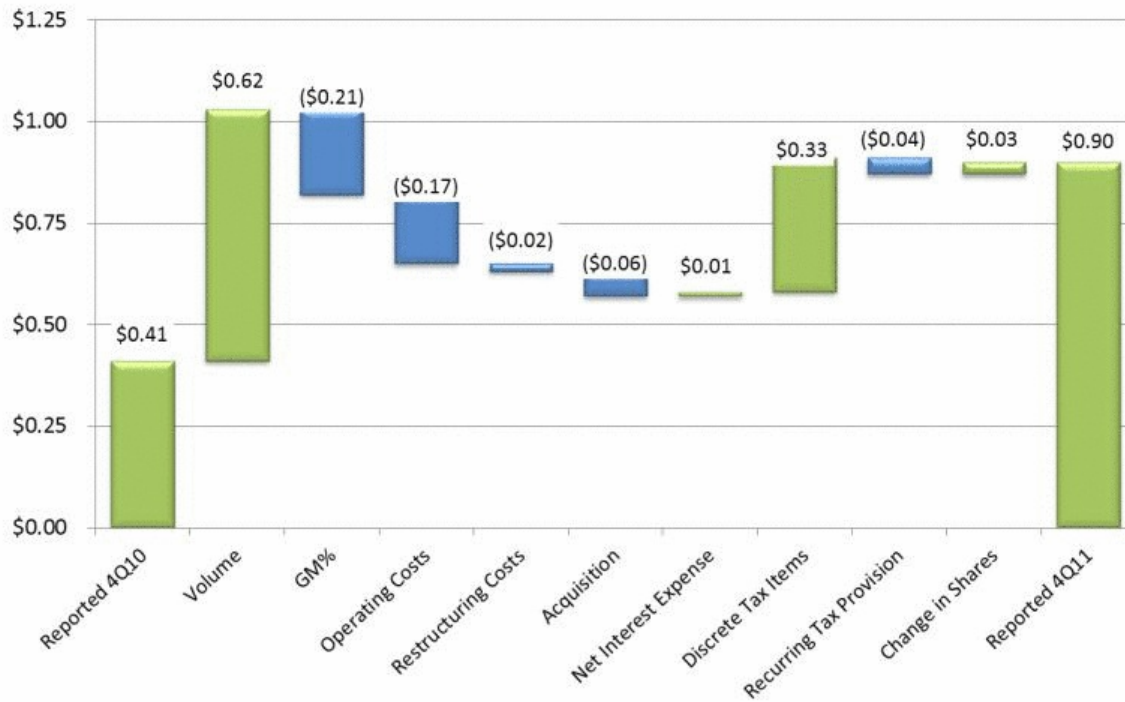
(\$ Millions)	4Q11	3Q11	4Q10	Sequential Δ	Y-O-Y Δ
SG&A	\$26.3	\$26.1	\$22.9	\$0.2	\$3.4
% Revenues	27.1%	30.9%	31.3%	-3.8%	-4.2%



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4Q10 to 4Q11 Diluted EPS from Continuing Operations



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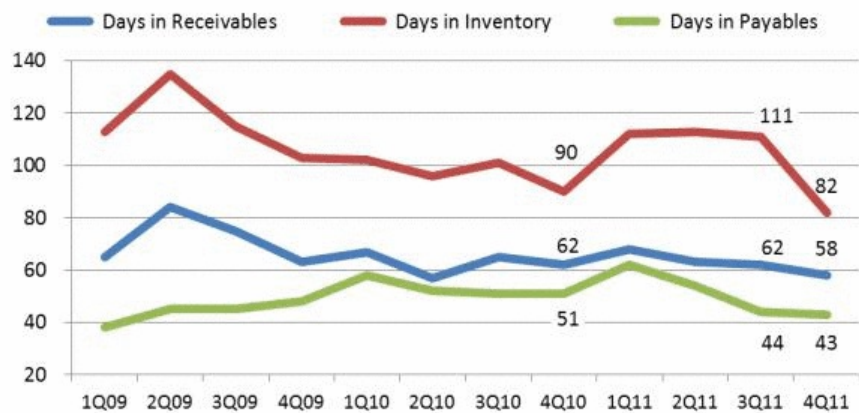
Cash Flow

(\$ Millions)	4Q11	4Q10	2011	2010
Income from Continuing Operations	10.7	5.2	33.9	18.7
Depreciation and Amortization	2.0	1.9	7.9	7.2
Stock-Based Compensation	1.0	0.7	3.9	2.8
Other Items	0.1	1.3	(2.6)	(0.4)
Change in Current Assets & Liabilities (excl. acquisitions)	1.1	4.7	(8.7)	0.0
Cash Provided by Continuing Operations	\$ 14.9	\$13.8	\$ 34.4	\$ 28.3

Key Working Capital Metrics

	4Q11	3Q11	4Q10
Days in Receivables	58	62	62
Days in Payables	43	44	51
Days in Inventory	82	111	90
Working Capital % LTM Revenues*	9.9%	10.8%	9.1%

*Working Capital is defined as current assets less current liabilities, excluding cash, debt, and the discontinued operation.

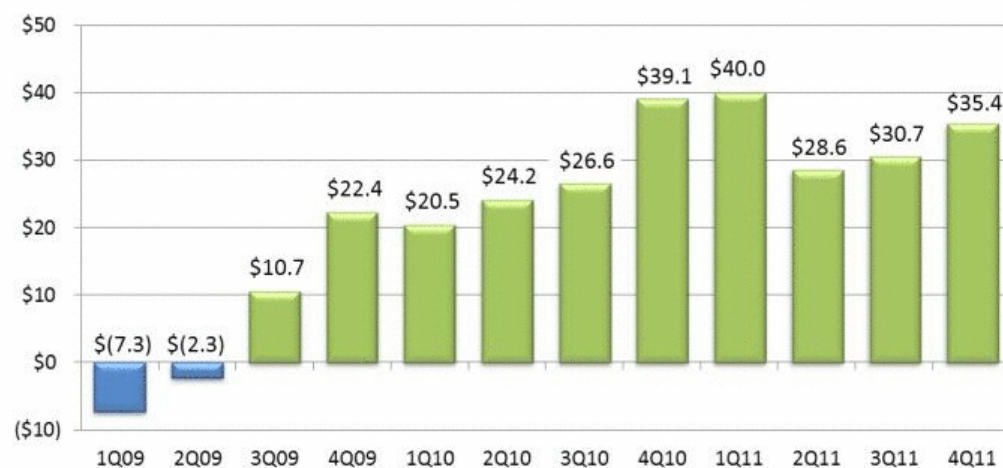


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Cash and Debt

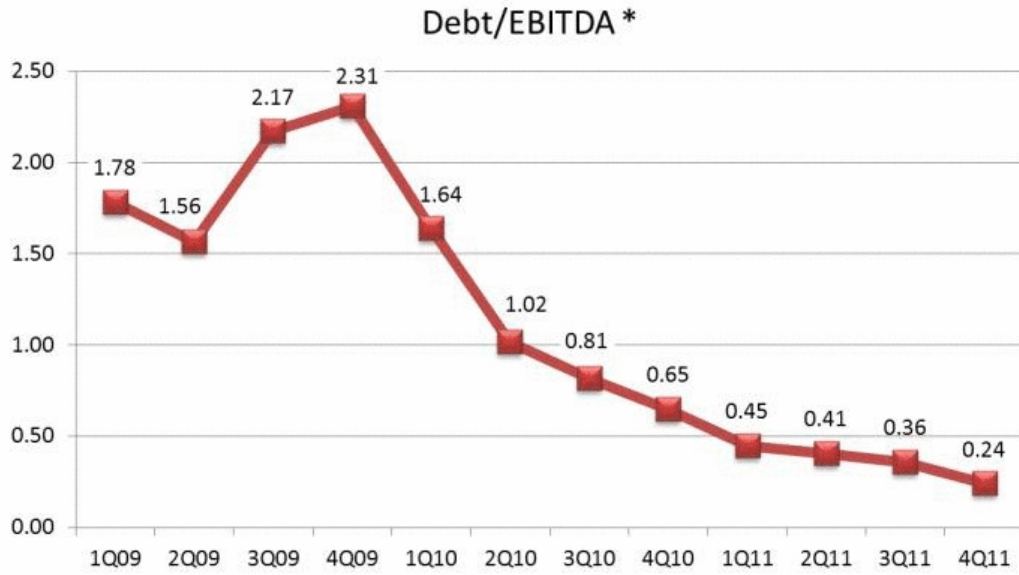
(\$ Millions)	4Q11	3Q11	4Q10
Cash, cash equivalents, restricted cash	47.7	48.1	61.8
Debt	(12.3)	(17.4)	(22.7)
NET CASH	\$ 35.4	\$ 30.7	\$ 39.1



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Leverage Ratio



* Calculated by adding or subtracting certain items, as required by our Credit Facility, from Adjusted EBITDA.

Questions & Answers

To ask a question, please call **866-804-6926** within the U.S. or
+1-857-350-1672 outside the U.S. and reference 83375884.

Please mute the audio on your computer.

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Fourth Quarter 2011 Business Review

Jonathan W. Painter, President & CEO

Thomas M. O'Brien, Executive Vice President & CFO

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Investor Contact: Thomas M. O'Brien, 978-776-2000

Media Contact: Wes Martz, 269-278-1715

APPENDIX

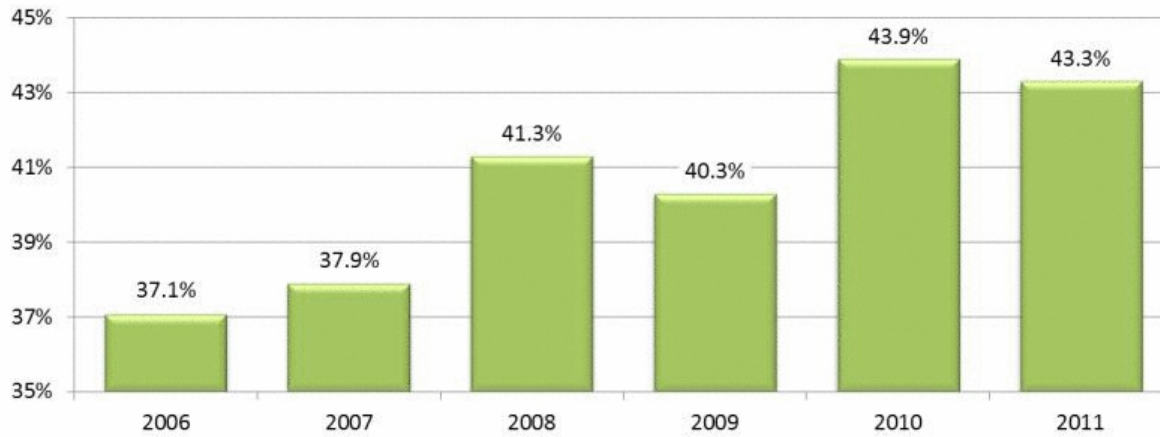
Appendix: Revenue

(\$ Millions)	2011	2010	% Change
Parts & Consumables	\$182.9	\$165.2	11%
Capital	\$152.6	\$104.8	46%
Total	\$335.5	\$270.0	24%



Appendix: Gross Margins

	2011	2010	2009	2010 Δ	2009 Δ
Papermaking Systems Segment	43.1%	43.8%	40.4%	-0.7%	+2.7%
Fiber-based Products	50.2%	45.8%	35.0%	+4.4%	+15.2%
TOTAL	43.3%	43.9%	40.3%	-0.6%	+3.0%

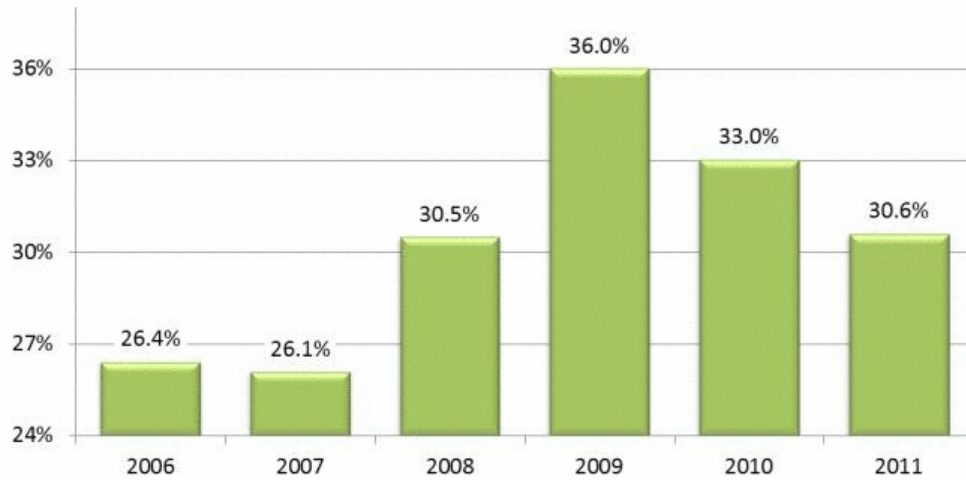


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Appendix: SG&A

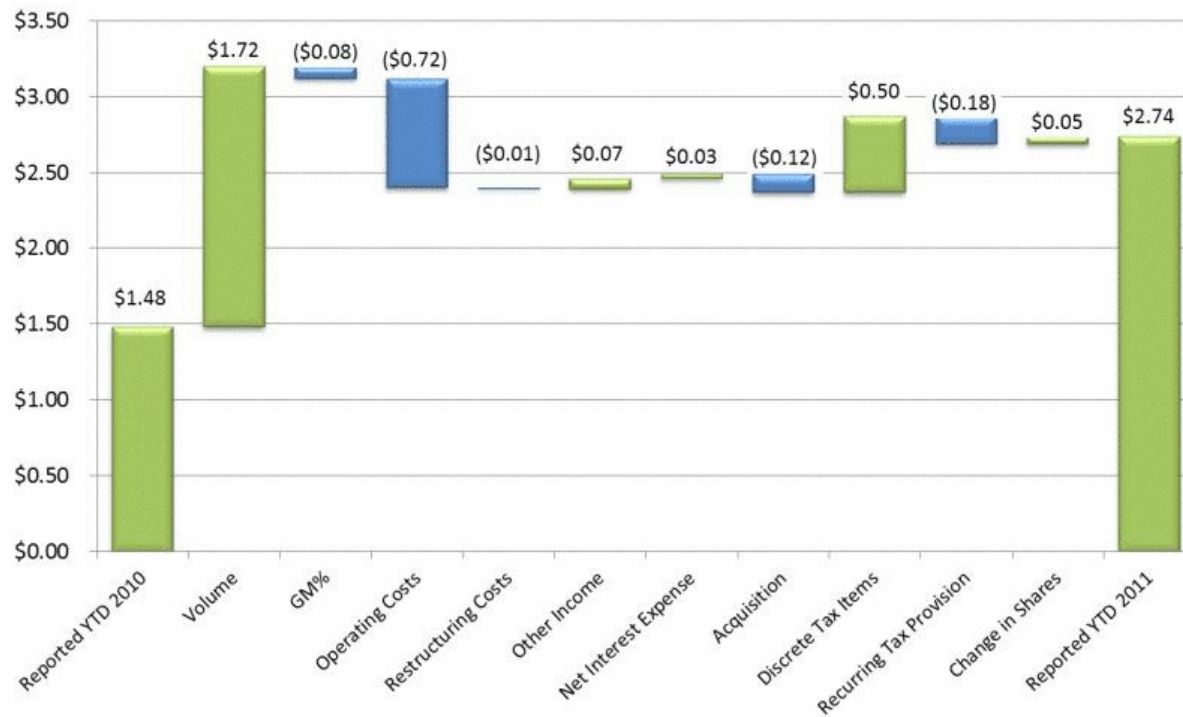
(\$ Millions)	2011	2010	2009	2010 Δ	2009 Δ
SG&A	\$102.7	\$89.2	\$81.2	\$13.5	\$21.5
% Revenues	30.6%	33.0%	36.0%	-2.4%	-5.4%



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Appendix: Diluted EPS from Continuing Operations



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