

**Matrix Capital Markets Group, Inc. Completes Sale
of Kadant Composite Building Products Business
to Liberty Diversified Industries**

RICHMOND, Va.--(BUSINESS WIRE)—Nov. 2, 2005— Matrix Capital Markets Group, Inc. recently announced the successful closing of the sale of Kadant Composites LLC, a leading manufacturer of composite decking and roofing products, to Minneapolis-based LDI Composites. Kadant Composites is a subsidiary of Kadant Inc. (NYSE: KAI). LDI Composites is a subsidiary of Liberty Diversified Industries (LDI).

Kadant Composites maintains operations in Green Bay, Wisconsin, and Bedford, Massachusetts, and markets and distributes its products nationally through building products dealers. The sale includes substantially all of the operating assets of the Kadant Composites business, including its GeoDeck brand of composite decking, railing, and roofing products, as well as its manufacturing, research and development, distribution and sales and marketing operations. The transaction was structured as an asset sale.

According to Robert Mason, Vice President of Matrix, “Kadant Composites represented an attractive acquisition opportunity into one of the fastest growing segments in the building products industry – composite decking. The acquisition by LDI allows them to greatly accelerate their entrance into this segment, adding a highly accomplished management team as well as a top branded product line to their portfolio. GeoDeck (www.geodeck.com) has become a top consumer brand and one of the leading brands in the professional installer market.”

Jon Painter, Executive Vice President for Kadant and President of Kadant Composites, added, “the professionals at Matrix guided us through an extensive process to identify, approach and negotiate a sale of the composites business. They were with us throughout the entire process, and in the final analysis, provided us with the confidence that we had received the best deal possible from a buyer that represented an ideal suitor for the business.”

Kadant 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. For more information visit www.kadant.com.

Liberty Diversified Industries is a privately held company serving the corrugated packaging, material handling, office supply, and furniture and building products industries. For more information visit www.libertydiversified.com

Matrix Capital Markets Group is a leading middle market investment bank headquartered in Richmond, Virginia. Since its founding in 1988, Matrix has served middle market and privately held companies, specializing in merger & acquisition and financial advisory services including exclusive sales and divestitures, management buyouts, and debt & equity placements. For more information visit www.matrixcapitalmarkets.com.

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NEWS RELEASE

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