# Kadant Inc.

**KAI**

NYSE; manufacturing; SIC 3550, Special Industry Machinery (No Metalworking Machinery); CIK 0000886346

**A**

**strongest fifth of 255 graded peers in manufacturing**

rank 39 of 255; percentile 15.0; sampling error 3.0 points; lower is stronger

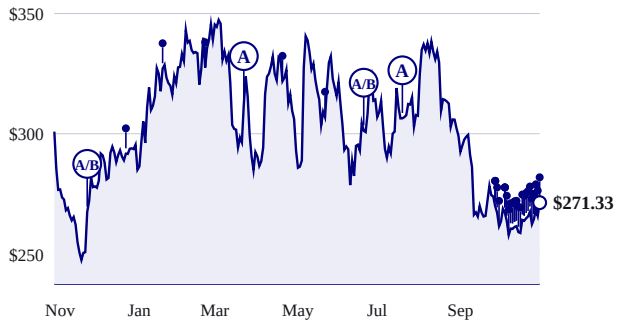
A B C D E

**A, the bull**



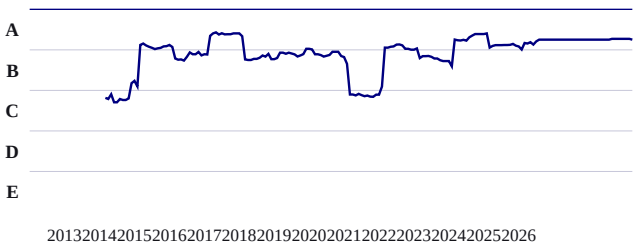
| Scoreboard | |
|---|---|
| **Profitability** | B<br>percentile 32.0 |
| **Solvency** | B/C<br>percentile 38.6 |
| **Growth and financing** | B/C<br>percentile 38.7 |
| **Reliability** | 0.91 AUC<br>filers with $591M to $2.67B assets; 95% interval 0.88 to 0.94; 160 events, 2020 to 2025 |
| **Peer failure rate** | 1.01% a year<br>Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | $591M to $2.67B assets<br>total assets $1.7B |
| **Standard universe** | inside<br>revenue above $1M and assets above $10M |
| **Warnings** | none triggered<br>not computable: distress |
| **Inputs computable** | 11 of 14 |
| **Graded from** | filings received through Mar 3, 2026<br>241 days before the rescan; latest periodic filing 10-Q received Aug 12, 2026 |
| **Last close** | $271.26<br>2026-10-29; market equity $3.2B; no price enters the letter |

**Share price, twelve months to the rescan**




*Split-adjusted close. Each lollipop is a rescan and carries the letter held then.*

**Letter at every rescan, 2012 to 2026**




*Sector percentile at each rescan, stronger toward the top; facts filed by each date only.*

## Business, in the company's words

*opening of Item 1 of the 10-K received Mar 3, 2026*

Throughout this Annual Report on Form 10-K, when we use the terms "we," "us," "our," "Registrant," and the "Company," we mean Kadant Inc., and its consolidated subsidiaries, taken as a whole, unless the context otherwise indicates. Kadant Inc. trades on the New York Stock Exchange under the ticker symbol "KAI." Unless otherwise noted, references to 2025, 2024, and 2023 in this Annual Report on Form 10-K are to our fiscal years ended January 3, 2026, December 28, 2024, and December 30, 2023, respectively. We are a global supplier of technologies and engineered systems that drive Sustainable Industrial Processing®.

## The fourteen inputs

*lower percentile is stronger; sleeves and inputs within a sleeve carry equal weight*

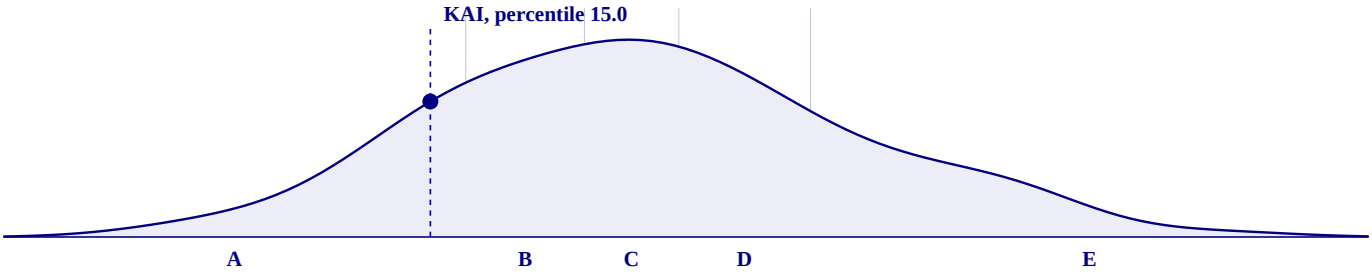
| Input | Value | Peer median | Percentile, 0 to 100 | Pct | Peers | Period end |
|---|---|---|---|---|---|---|
| **Profitability, sleeve percentile 32.0** | | | | | | |
| Gross profitability | 27.8% | 21.9% | | 26.2 | 276 | 2026-01-03 |
| Return on invested capital | 10.0% | 9.7% | | 46.5 | 102 | 2026-01-03 |
| Accruals ratio | (4.4%) | (3.6%) | | 44.4 | 307 | 2026-01-03 |

Not investment advice. Informational and educational only. Data from SEC EDGAR, may contain errors, is not warranted. The grade ranks reported financial condition and is not a return forecast.

| | | | | | | |
|---|---|---|---|---|---|---|
| Gross margin stability, five years | 0.9 pts | 2.1 pts | | 11.0 | 229 | 2026-01-03 |
| **Solvency, sleeve percentile 38.6** | | | | | | |
| Twelve-month failure probability | not computable | 0.04% | | | | |
| *liabilities and a nearby cover-page share count are required at 2026-07-04* | | | | | | |
| Altman Z double-prime | not computable | 3.66 | | | | |
| *one or more required annual facts are missing* | | | | | | |
| Net debt to EBITDA | 1.21x | 1.78x | | 34.2 | 121 | 2026-01-03 |
| Interest coverage | not computable | 5.09x | | | | |
| *latest aligned inputs end 2023-12-30; latest annual assets end 2026-01-03* | | | | | | |
| Current ratio | 2.38x | 2.25x | | 43.0 | 324 | 2026-01-03 |
| **Growth and financing, sleeve percentile 38.7** | | | | | | |
| Revenue growth, three-year compound | 5.2% | 2.2% | | 33.6 | 269 | 2026-01-03 |
| Free cash flow growth, three-year compound | 27.5% | 13.5% | | 30.7 | 141 | 2026-01-03 |
| Reinvestment rate | 25.4% | 26.1% | | 50.7 | 139 | 2026-01-03 |
| Asset growth, three years | 14.2% | 4.3% | | 18.5 | 277 | 2026-01-03 |
| Net share issuance, one year | 0.3% | 0.01% | | 60.0 | 241 | 2026-02-20 |

## Among 255 peers

*manufacturing; letters are fifths of this list*




*Composite score of every graded peer, smoothed; vertical rules are the letter band edges; stronger to the left.*

| Rank | Company | Percentile | Letter | Warnings |
|---|---|---|---|---|
| 34 | Weatherford International plc (WFRD) | 13.0 | A | |
| 35 | Cummins Inc. (CMI) | 13.4 | A | |
| 36 | Lennox International Inc. (LII) | 13.8 | A | |
| 37 | Park Aerospace Corp. (PKE) | 14.2 | A | late filer, fortress balance sheet |
| 38 | Axcelis Technologies Inc. (ACLS) | 14.6 | A | |
| 39 | Kadant Inc. (KAI) | 15.0 | A | |
| 40 | Nwpx Infrastructure, Inc. (NWPX) | 15.4 | A | |
| 41 | Gencor Industries Inc. (GENC) | 15.7 | A | late filer, fortress balance sheet |
| 42 | Movado Group Inc. (MOV) | 16.1 | A | |
| 43 | Kratos Defense & Security Solutions, Inc. (KTOS) | 16.5 | A | fortress balance sheet |
| 44 | Moog Inc. (MOG-A) | 17.1 | A/B | |

## What the price implies

*at the 2026-10-29 close; none of these enters the grade*

| Measure | Value | Peer median | Percentile |
|---|---|---|---|
| Twelve-month price change, skipping the latest month | 1.0% | 13.7% | 36 |
| Distance from 52-week high | (21.9%) | (24.9%) | 55 |
| EBIT to enterprise value | 4.4% | 4.1% | 53 |
| Free cash flow yield | 4.8% | 3.4% | 67 |
| Book value to price | 0.32 | 0.35 | 45 |
| Sales to price | 0.33 | 0.52 | 28 |
| Composite equity issuance, five years | (0.4%) | (9.6%) | 66 |

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| | | | |
|---|---|---|---|
| Relative strength against the sector, log excess return | (0.12) | (0.00) | 36 |

## Diagnostics

*shown on every report; none enters the grade*

| Measure | Value |
|---|---|
| **Piotroski F-score 5 of 9, period end 2026-01-03** | |
| Return on assets above zero | pass |
| Operating cash flow above zero | pass |
| Return on assets improved | fail |
| Operating cash flow exceeds net income | pass |
| Long-term leverage fell | fail |
| Current ratio improved | pass |
| No new shares issued | fail |
| Gross margin improved | pass |
| Asset turnover improved | fail |
| **Cash, filings, liquidity** | |
| Cash and equivalents | $134.5M |
| Operating cash flow, four quarters | $183.4M |
| Months of runway | not finite |
| Days since last periodic filing | 79 (10-Q received Aug 12, 2026) |
| Median daily dollar volume, 63 sessions | $36.1M |

## Sources

*every fact behind the inputs; each row links to its filing index on sec.gov*

| # | Concept | XBRL tag | Value | Period end | Received | Form | Accession |
|---|---|---|---|---|---|---|---|
| 1 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $1.1B | 2026-01-03 | 2026-03-03 | 10-K | 26-000018 |
| 2 | cost of revenue | us-gaap:CostOfGoodsAndServicesSold | $576.5M | 2026-01-03 | 2026-03-03 | 10-K | 26-000018 |
| 3 | assets | us-gaap:Assets | $1.7B | 2026-01-03 | 2026-03-03 | 10-K | 26-000018 |
| 4 | operating income | us-gaap:OperatingIncomeLoss | $157.3M | 2026-01-03 | 2026-03-03 | 10-K | 26-000018 |
| 5 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | $143.6M | 2026-01-03 | 2026-03-03 | 10-K | 26-000018 |
| 6 | income tax | us-gaap:IncomeTaxExpenseBenefit | $39.9M | 2026-01-03 | 2026-03-03 | 10-K | 26-000018 |
| 7 | total debt | us-gaap:LongTermDebtAndCapitalLeaseObligations | $371.4M | 2026-01-03 | 2026-03-03 | 10-K | 26-000018 |
| 8 | book equity | us-gaap:StockholdersEquity | $979.8M | 2026-01-03 | 2026-03-03 | 10-K | 26-000018 |
| 9 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $119.6M | 2026-01-03 | 2026-03-03 | 10-K | 26-000018 |
| 10 | total debt | us-gaap:LongTermDebtAndCapitalLeaseObligations | $285.2M | 2024-12-28 | 2026-03-03 | 10-K | 26-000018 |
| 11 | book equity | us-gaap:StockholdersEquity | $847.1M | 2024-12-28 | 2026-03-03 | 10-K | 26-000018 |
| 12 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $94.7M | 2024-12-28 | 2026-03-03 | 10-K | 26-000018 |
| 13 | net income | us-gaap:NetIncomeLoss | $102.0M | 2026-01-03 | 2026-03-03 | 10-K | 26-000018 |
| 14 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $171.3M | 2026-01-03 | 2026-03-03 | 10-K | 26-000018 |
| 15 | assets | us-gaap:Assets | $1.4B | 2024-12-28 | 2026-03-03 | 10-K | 26-000018 |
| 16 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $1.1B | 2024-12-28 | 2026-03-03 | 10-K | 26-000018 |
| 17 | cost of revenue | us-gaap:CostOfGoodsAndServicesSold | $587.2M | 2024-12-28 | 2026-03-03 | 10-K | 26-000018 |
| 18 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $957.7M | 2023-12-30 | 2026-03-03 | 10-K | 26-000018 |
| 19 | cost of revenue | us-gaap:CostOfGoodsAndServicesSold | $541.4M | 2023-12-30 | 2026-03-03 | 10-K | 26-000018 |
| 20 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $904.7M | 2022-12-31 | 2025-02-25 | 10-K | 25-000006 |
| 21 | cost of revenue | us-gaap:CostOfGoodsAndServicesSold | $515.2M | 2022-12-31 | 2025-02-25 | 10-K | 25-000006 |
| 22 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $786.6M | 2022-01-01 | 2024-02-27 | 10-K | 24-000026 |
| 23 | cost of revenue | us-gaap:CostOfGoodsAndServicesSold | $449.2M | 2022-01-01 | 2024-02-27 | 10-K | 24-000026 |
| 24 | depreciation amortization | us-gaap:DepreciationDepletionAndAmortization | $51.2M | 2026-01-03 | 2026-03-03 | 10-K | 26-000018 |
| 25 | operating income | us-gaap:OperatingIncomeLoss | $165.8M | 2023-12-30 | 2026-03-03 | 10-K | 26-000018 |
| 26 | interest expense | us-gaap:InterestExpense | $8.4M | 2023-12-30 | 2024-02-27 | 10-K | 24-000026 |
| 27 | current assets | us-gaap:AssetsCurrent | $541.9M | 2026-01-03 | 2026-03-03 | 10-K | 26-000018 |
| 28 | current liabilities | us-gaap:LiabilitiesCurrent | $228.2M | 2026-01-03 | 2026-03-03 | 10-K | 26-000018 |
| 29 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $17.0M | 2026-01-03 | 2026-03-03 | 10-K | 26-000018 |
| 30 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $155.3M | 2024-12-28 | 2026-03-03 | 10-K | 26-000018 |

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| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 31 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $21.0M | 2024-12-28 | 2026-03-03 | 10-K | 26-000018 |
| 32 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $165.5M | 2023-12-30 | 2026-03-03 | 10-K | 26-000018 |
| 33 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $31.9M | 2023-12-30 | 2026-03-03 | 10-K | 26-000018 |
| 34 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $102.6M | 2022-12-31 | 2025-02-25 | 10-K | 25-000006 |
| 35 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $28.2M | 2022-12-31 | 2025-02-25 | 10-K | 25-000006 |
| 36 | current assets | us-gaap:AssetsCurrent | $442.3M | 2024-12-28 | 2026-03-03 | 10-K | 26-000018 |
| 37 | current liabilities | us-gaap:LiabilitiesCurrent | $191.6M | 2024-12-28 | 2026-03-03 | 10-K | 26-000018 |
| 38 | assets | us-gaap:Assets | $1.2B | 2023-12-30 | 2026-03-03 | 10-K | 26-000018 |
| 39 | assets | us-gaap:Assets | $1.1B | 2022-12-31 | 2025-02-25 | 10-K | 25-000006 |
| 40 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 11,789,023 | 2026-02-20 | 2026-03-03 | 10-K | 26-000018 |
| 41 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 11,754,897 | 2025-02-14 | 2025-02-25 | 10-K | 25-000006 |

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