

Edgar Filing: KADANT INC - Form 8-K

KADANT INC
Form 8-K
April 07, 2006

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): April 3, 2006

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 Acton Place
Acton, Massachusetts
(Address of Principal Executive Offices)

01720
(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 1.01 Entry into a Material Definitive Agreement.

On April 3, 2006, Kadant Inc., a Delaware corporation ("Kadant" and the "Borrower"), entered into a Third Amendment (the "Amendment") to the Credit Agreement dated as of May 9, 2005 (as amended to date, the "Credit Agreement"), among Kadant, the Foreign Subsidiary Borrowers from time to time parties thereto, the several lenders from time to time parties thereto, and JPMorgan Chase Bank, N.A., as Administrative Agent. This Amendment increases the total borrowing capacity under the revolving line of credit from \$25 to \$35 million, increases the letter of credit and multi-currency borrowing sublimit to the full amount of the facility (\$35 million), and adds an additional lending participant to the Credit Agreement, Bank of China, New York branch. The amount we are able to borrow under the revolving line of credit is the total borrowing capacity less any outstanding letters of credit and multi-currency borrowings issued under the Credit Agreement.

This Amendment was entered into in anticipation of our proposed acquisition of Jining Huayi Light Industry Machinery Co., Ltd. for a purchase price of approximately \$20 million, subject to adjustment. This acquisition is expected to close in the second quarter of 2006 and we plan to finance the acquisition through a combination of cash and borrowings. The completion of the acquisition is subject to a number of conditions and there is no assurance that the acquisition will be completed.

The forgoing description of the Amendment does not purport to be a complete statement of the terms and conditions of the Amendment and is qualified in its entirety by reference to the full text of the Amendment filed with this report as Exhibit 99.1.

Item 9.01 Financial Statements and Exhibits.

(c) Exhibits

No. Description

99.1 Third Amendment to the Credit Agreement dated April 3, 2006, among Kadant, the Foreign Subsidiary Borrowers from time to time parties thereto, the several lenders from time to time parties thereto, and JPMorgan Chase Bank, N.A., as Administrative Agent.

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KADANT INC.

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.

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Date: April 7, 2006

By: /s/ Thomas M. O'Brien

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