

**Worksheet for Computing Basis for Shares
of Thermo Electron and Kadant**

	Example	Your Computations
1 Thermo Common Stock Opening Price	20.17	20.17
2 Thermo Common Stock Closing Price	20.65	20.65
3 Add Line 1 and Line 2	40.82	40.82
4 Average Price (Line 3 divided by 2)	20.41	20.41
5 Kadant Common Stock Opening Price	13.50	13.50
6 Kadant Common Stock Closing Price	13.35	13.35
7 Add Line 5 and Line 6	26.85	26.85
8 Average Price (Line 7 divided by 2)	13.43	13.43
9 Thermo Shares Owned Pre-Distribution	1,000.00	
10 Distribution Ratio	0.0612	0.0612
11 Kadant Shares Receivable (Line 9 multiplied by Line 10)	61.20	
12 Percentage of Taxable Kadant Shares	8.047%	8.047%
13 Taxable Kadant Shares (Line 11 multiplied by Line 12)	4.92	
14 Non-Taxable Kadant Shares (Line 11 minus Line 13)	56.28	
15 Total Original Basis In Thermo Shares	20,000.00	
16 FMV of Total Thermo Shares (After Distribution) (Line 4 multiplied by Line 9)	20,410.00	
17 FMV of Total Non-Taxable Kadant Shares (After Distribution) (Line 8 multiplied by Line 14)	755.84	
18 Total FMV of Thermo Shares and Non-Taxable Kadant Shares (Line 16 plus Line 17)	21,165.84	
19 Percentage of Total Original Basis Allocable to Thermo Shares (Line 16 divided by Line 18)	96.43%	
20 Percentage of Total Original Basis Allocable to Non-Taxable Kadant Shares (100% minus Line 19)	3.57%	
21 Total Original Basis Allocable to Thermo Shares (Line 15 multiplied by Line 19)	19,286.00	
22 Total Original Basis Allocable to Non-Taxable Kadant Shares (Line 15 multiplied by Line 20)	714.00	
23 Basis Per Share for Thermo Shares (Line 21 divided by Line 9)	19.29	
24 Basis Per Share for Non-Taxable Kadant Shares (Line 22 divided by Line 14)	12.69	
25 Basis Per Share for Taxable Kadant Shares (Line 8)	13.43	
26 Total Basis for Taxable Kadant Shares (Line 25 multiplied by Line 13)	66.08	
27 Fractional Share for Which Cash Received (Number Right of Decimal Point in Line 11)	0.20	
28 Portion of Fractional Share Attributable to Taxable Kadant Shares (Line 27 multiplied by Line 12)*	0.02	
29 Portion of Fractional Share Attributable to Non-Taxable Kadant Shares (Line 27 minus Line 28)*	0.18	
30 Basis of Fractional Share Attributable to Taxable Kadant Shares (Line 28 multiplied by Line 25)	0.27	
31 Basis of Fractional Share Attributable to Non-Taxable Kadant Shares (Line 29 multiplied by Line 24)	2.28	
32 Remaining Total Basis in Taxable Kadant Shares (Line 26 minus Line 30)	65.81	
33 Remaining Total Basis in Non-Taxable Kadant Shares (Line 22 minus Line 31)	711.72	

*If you chose to specifically identify particular Kadant shares as Taxable and Non-Taxable, you could identify the fractional share for which the cash was received rather than using a pro rata portion of the Taxable Kadant Shares and the Non-Taxable Kadant Shares.

