



**Corporate Offices:
1328 Racine Street
Racine, WI 53403**

NEWS RELEASE

FOR IMMEDIATE RELEASE

Contact: Christopher J. Eperjesy
(262) 638-4343

TWIN DISC, INC., INCREASES QUARTERLY CASH DIVIDEND TO \$0.11 PER SHARE FROM \$0.095 PER SHARE

RACINE, WISCONSIN—January 23, 2007—Twin Disc, Inc. (NASDAQ: TWIN), announced today that the Board of Directors increased the regular quarterly cash dividend by 15.8 percent to \$0.11 per share from \$0.095 per share. The dividend will be payable on March 1, 2007, to shareholders of record on February 9, 2007.

Twin Disc, Inc. designs, manufactures and sells marine and heavy-duty off-highway power transmission equipment. Products offered include: marine transmissions, surface drivers, propellers and boat management systems, as well as power-shift transmissions, hydraulic torque converters, power take-offs, industrial clutches and control systems. The Company sells its products to customers primarily in the pleasure craft, commercial and military marine markets, as well as in the energy and natural resources, government and industrial markets. The Company's worldwide sales to both domestic and foreign customers are transacted through a direct sales force and a distributor network.

###