



## ***NEWS RELEASE***

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### **FOR IMMEDIATE RELEASE**

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### **TWIN DISC, INC., ANNOUNCES MERGER OF ITALIAN OPERATIONS**

RACINE, WISCONSIN—June 5, 2007—Twin Disc, Inc. (NASDAQ: TWIN), today announced the merger of its Italian operations into one single legal entity, Twin Disc Srl. The new entity combines Twin Disc Technodrive Srl, Twin Disc Srl, BCS Srl and BCS Service Srl.

Headquartered in Decima, Italy, Twin Disc Srl will be co-managed by Carlo Contri and Saverio Cecchi. Most recently, Mr. Contri was the Managing Director of Twin Disc Technodrive Srl. Mr. Cecchi was the Managing Director of BCS Srl and BCS Service Srl, both acquired as part of the BCS Group acquisition completed by the Company in May 2006. Both Mr. Contri and Mr. Cecchi will report to John H. Batten, Executive Vice President and President of the Twin Disc Srl Board of Directors.

Commenting on the creation of the new structure, Mr. Batten, said, "The merger of our Italian entities will allow the Company to have one common approach to the Italian market, the second largest market for the Company outside North America. Additionally, the merger will create one management structure, including finance, IT, human resources, sales and marketing, supply chain management, customer service and engineering. Each of the entities participating in the merger brings its own specialties to Twin Disc Srl, and we intend to learn from each other to create one skill set that is truly best practice in our markets. "

The Decima facility, formerly Twin Disc Technodrive, specializes in industrial gear boxes, pump adapters and marine transmissions for the sub 500 horsepower OEM market, while the Limite facility, formerly the BCS Group, serves the Italian and European yacht industry with a line of hydraulics, shafting and other boat management products that typically serve the yacht and super yacht ranges of the marine market.

Twin Disc, Inc. designs, manufactures and sells marine and heavy-duty off-highway power transmission equipment. Products offered include: marine transmissions, surface drives, 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.