Twin Disc, Inc. Completes Acquisition of Katsa Oy

May 31, 2024

MILWAUKEE, May 31, 2024 (GLOBE NEWSWIRE) -- Twin Disc, Inc. (NASDAQ:TWIN) announced today that it has completed the previously announced acquisition of Katsa Oy ("Katsa"), a leading European manufacturer of high-quality power transmission components and gearboxes, in an all-cash transaction valued at €21 million (approximately $23 million).

The acquisition of Katsa broadens Twin Disc's global reach through further expansion into growing European markets, while also adding complementary products to grow offerings in the industrial, marine and hybrid/electrification space.

For the fiscal year ended September 30, 2023, Katsa delivered approximately €33 million of revenue. Once fully integrated, the acquisition is expected to be accretive to Twin Disc's U.S. GAAP earnings within twenty four months.

About Twin Disc
Twin Disc, Inc. designs, manufactures and sells marine and heavy-duty off-highway power transmission equipment. Products offered include marine transmissions, azimuth drives, 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. For more information, please visit www.twindisc.com.

About Katsa Oy
Katsa designs and manufactures gearboxes and power transmission components which are tailored to meet the customer's demands. For end users, Katsa provides modelling, modernisation, gearbox repair and maintenance services as well as spare parts. For more information, please visit www.katsa.fi/en/frontpage/.

Forward-Looking Statements
This press release may contain statements that are forward looking as defined by the Securities and Exchange Commission in its rules, regulations and releases. The words "anticipates," "believes," "intends," "estimates," and "expects," or similar anticipatory expressions, usually identify forward-looking statements. The Company intends that such forward-looking statements qualify for the safe harbors from liability established by the Private Securities Litigation Reform Act of 1995. All forward-looking statements are based on current expectations, and are subject to certain risks and uncertainties that could cause actual results or outcomes to differ materially from current expectations. Such risks and uncertainties include the impact of general economic conditions and the cyclical nature of many of the Company's product markets; foreign currency risks and other risks associated with the Company's international sales and operations; the ability of the Company to successfully implement price increases to offset increasing commodity costs; the ability of the Company to generate sufficient cash to pay its indebtedness as it becomes due; and the possibility of unforeseen tax consequences and the impact of tax reform in the U.S. or other jurisdictions. These and other risks are described under the caption "Risk Factors" in Item 1A of the Company's most recent Form 10-K filed with the Securities and Exchange Commission, as supplemented in subsequent periodic reports filed with the Securities and Exchange Commission. Accordingly, the making of such statements should not be regarded as a representation by the Company or any other person that the results expressed therein will be achieved. The Company assumes no obligation, and disclaims any obligation, to publicly update or revise any forward-looking statements to reflect subsequent events, new information, or otherwise.

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Source: Twin Disc, Incorporated