

Registration No.

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM S-8

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

TWIN DISC, INCORPORATED
(Exact name of issuer as specified in its charter)

Wisconsin (State of other jurisdiction of incorporation or organization)	39-0667110 (IRS Employer Identification No.)
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1328 Racine Street, Racine, Wisconsin (Address of Principal Executive Offices)	53403 (Zip Code)
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2004 Stock Incentive Plan for Non-Employee Directors
(Full title of the plan)Fred H. Timm, 1328 Racine Street, Racine, Wisconsin 53403
(Name and address of agent for service)(262) 638-4000
(Telephone number, including area code, of agent for service)

Calculation of Registration Fee

Title of Class of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price Per Share	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
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Common Stock (No par value)	36,000 Shares	\$_____ (1)	\$_____ (1)	\$_____

(1) Estimated solely for the purpose of calculating the registration fee in accordance with Rule 457, and based on the average of the high and low prices of the Common Stock as of October 13, 2004.

PART I
INFORMATION REQUIRED IN THE SECTION 10(a) PROSPECTUS

This registration statement pertains to 36,000 shares of the Common Stock, no par value, of Twin Disc, Incorporated (the "Company"), pursuant to the Company's 2004 Stock Incentive Plan for Non-Employee Directors (the "Plan"). Documents containing the information specified in Part I of Form S-8 will be sent or given to employees eligible to participate in the Plan by the Company as specified by Rule 428(b)(1) of the Securities Act of 1933 (the "Securities Act") (17 C.F.R. 230.428(b)(1)). Such documents are not required to be and are not filed with the Securities and Exchange Commission (the "Commission") either as part of this Registration Statement or as prospectuses or prospectus supplements pursuant to Rule 424. These documents and the documents incorporated by reference in this Registration Statement pursuant to Item 3 of Part II of this Form S-8, taken together, constitute a prospectus that meets the requirements of Section 10(a) of the Securities Act.

PART II

Item 3 - Incorporation of Documents by Reference

The following documents and all documents subsequently filed by the Company pursuant to Sections 13(a), 13(c), 14 and 15(d) of the Securities Exchange Act of 1934, prior to the filing of a post-effective amendment which indicates that all securities offered have been sold or which deregisters securities then remaining unsold, are hereby incorporated by reference from the date of filing of such documents:

1. The Company's Annual Report of Form 10-K for the year ended June 30, 2004.
2. The Auditor's Consent to incorporate the Company's financial reports contained in the Annual Report on Form 10-K for the year ended June 30, 2004.
3. The Company's Form 8-K, filed October 15, 2004, announcing earnings for the quarter ended September 30, 2004.
4. The Company's Form 8-K, filed October 15, 2004, announcing the Company's decision to voluntarily delist from the New York Stock Exchange and to commence trading on the NASDAQ National Market.
5. The description of the Company's Common Stock contained in Item 1 of the Company's Registration Statement on Form 8-A, filed October 15, 2004, and any amendments or reports filed for the purpose of updating such description.
6. The description of the Company's Preferred Stock Purchase Rights contained in Item 1 of the Company's Registration Statement on Form 8-A, filed October 15, 2004, and any amendments or reports filed for the purpose of updating such description.

Item 4 - Description of Securities

Not Applicable.

Item 5 - Interests of Named Experts and Counsel

None.

Item 6 - Indemnification of Directors and Officers

Certain provisions of the Wisconsin Business Corporation Law, Chapter 180 of the Wisconsin Statutes ("WBCL"), provide that the Company will indemnify the directors and officers of the Company and each subsidiary company against liabilities and expenses incurred by such person by reason of the fact that such person was serving in such capacity, subject to certain limitations and conditions set forth in the WBCL. The Company's Bylaws also provide that the Company will indemnify its directors and officers, and, at the Company's request, will indemnify any person serving as a director or officer with respect to serving or having served another business entity, to the extent permitted by the WBCL.

It is the public policy of the State of Wisconsin, expressed in Section 180.0859 of the WBCL, to require or permit indemnification and allowance of expenses for any liability incurred in connection with a proceeding involving federal or state statutory or administrative regulation of the offer, sale or purchase of securities, provided the applicable requirements for indemnification and allowance of expenses are satisfied.

The Company has purchased liability insurance policies that indemnify the Company's directors and officers against loss arising from claims by reason of their legal liability for acts of such directors or officers, subject to limitations and conditions as set forth in the policies.

Item 7 - Exemption From Registration Claimed

Not Applicable.

Item 8 - Exhibits

Exhibit Description

- 4a) Form of Rights Agreement dated as of April 17, 1998 by and between the Company and the Firststar Trust Company, as Rights Agent, with Form of Rights Certificate (Incorporated by reference to Exhibits 1 and 2 of the Company's Form 8-A dated May 4, 1998, SEC File No. 001-07635).
- b) Announcement of Shareholder Rights Plan per news release dated April 17, 1998 (Incorporated by reference to Exhibit 6(a), of the Company's Form 10-Q dated May 4, 1998, SEC File No. 001-07635).
- *5a) Opinion of von Briesen & Roper, s.c., regarding the validity of original issuance securities
- *23 Consent of Independent Accountants

24 Power of Attorney (included as part of the signature page of this Registration Statement)

*99 2004 Stock Incentive Plan for Non-Employee Directors.

* Filed herewith

Item 9 - Undertakings

The undersigned registrant hereby undertakes:

- (1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:
 - (a) to include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;
 - (b) to reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in the volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of a prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table above; and
 - (c) to include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement.

Provided, however, that paragraph (a) and (b) shall not apply if the registration statement is on Form S-3, Form S-8 or Form F-3, and the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed with or furnished to the Commission by the registrant pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the registration statement.

- (2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.
- (3) To remove from registration by means of a post-effective amendment any of the securities being registered that remain unsold at the termination of the offering.

The undersigned registrant hereby undertakes that, for purposes of determining any liability under the Securities Act of 1933, each filing of the registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934 that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered herein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

Insofar as any indemnification arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Racine, State of Wisconsin, on October 15, 2004.

TWIN DISC, INCORPORATED

October 15, 2004

/s/ Michael E. Batten

Michael E. Batten, Chairman,
Chief Executive Officer and Director

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities and on the date indicated. Each person whose signature appears below hereby makes, constitutes and appoints Michael E. Batten and Christopher J. Eperjesy, and each of them singly, his true and lawful attorneys, with full power to sign for such person and in such person's name and capacity indicated below, and with full power of substitution any and all amendments to this Registration Statement, and generally do all such things in our names and behalf as directors to enable Twin Disc, Incorporated to comply with the provisions of the Securities Act of 1933 and the Securities and Exchange Act of 1934 and all requirements of the Securities and Exchange Commission, hereby ratifying and confirming such person's signature as it may be signed by said attorneys to any and all amendments.

October 15, 2004

/s/ Michael E. Batten

Michael E. Batten, Chairman,
Chief Executive Officer and Director

October 15, 2004

/s/ Michael H. Joyce

Michael H. Joyce, President,
Chief Operating Officer and Director

October 15, 2004

/s/ Christopher J. Eperjesy

Christopher J. Eperjesy, Vice President - Finance,
Treasurer and Chief Financial Officer

October 15, 2004

/s/ Fred H. Timm

Fred H. Timm, Vice President - Administration
Secretary and Chief Accounting Officer

October 15, 2004

/s/ David L. Swift

David L. Swift, Director

October 15, 2004

/s/ John A. Mellowes

John A. Mellowes, Director

October 15, 2004

/s/ George E. Wardeberg

George E. Wardeberg, Director

October 15, 2004

/s/ David R. Zimmer

David R. Zimmer, Director

October 15, 2004

/s/ David B. Rayburn

David B. Rayburn, Director

October 15, 2004

/s/ Harold M. Stratton II

October 15, 2004

/s/ John H. Batten

John H. Batten, Director

EXHIBIT INDEX

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c)	Announcement of Shareholder Rights Plan per news release dated April 17, 1998 (Incorporated by reference to Exhibit 6(a), of the Company's Form 10-Q dated May 4, 1998, SEC File No. 001-07635).	N/A
*5a)	Opinion of von Briesen & Roper, s.c., regarding the validity of original issuance securities	_____
*23	Consent of Independent Accountants	_____
24	Power of Attorney (included as part of the signature page of this Registration Statement)	_____
*99	2004 Stock Incentive Plan for Non-Employee Directors.	_____

* Filed herewith

October 15, 2004

The Board of Directors
Twin Disc, Incorporated
1328 Racine Street
Racine, WI 53403

Gentlemen:

This firm is counsel for Twin Disc, Incorporated ("Company"), which is the registrant in a Registration Statement under the Securities Act of 1933 on Form S-8, dated October 15, 2004, relating to the registration of 36,000 shares of the Company's common stock, no par value per share ("Shares"), to be offered and sold pursuant to the Company's 2004 Stock Incentive Plan for Non-Employee Directors.

As counsel, we are familiar with the action taken by the Company in connection with the authorization of the Shares. We have examined such records and other documents as we have deemed necessary for the opinion hereinafter expressed.

Based upon the foregoing, and having regard to legal considerations which we deem relevant, we are of the opinion that the Shares described in the Registration Statement will be, when sold, legally issued by the Company, fully paid and non-assessable, except to the extent provided in Section 180.0622(2) b), of the Wisconsin Statutes which provides, in part, that shareholders of a Wisconsin corporation are personally liable up to an amount equal to the consideration for which their shares without par value were issued for all debts owing to employees of the corporation for services performed for such corporation, but not exceeding six months' service in any one case.

We hereby consent to the inclusion of this opinion as an exhibit to the Registration Statement.

Very truly yours,

/s/ von BRIESEN & ROPER, s.c.

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TWIN DISC, INCORPORATED
2004 STOCK INCENTIVE PLAN FOR NON-EMPLOYEE DIRECTORS

ARTICLE I

PURPOSE

1.1 PURPOSE. The purpose of the Twin Disc, Incorporated 2004 Stock Incentive Plan for Non-Employee Directors (the "Directors' Plan" or "Plan") is to promote the financial interests of Twin Disc, Incorporated (the "Company") and its shareholders by providing non-employee members of the Company's Board of Directors (each a "Participant") the opportunity to acquire Common Stock of the Company ("Common Stock"), thereby assisting the Company in its efforts to attract and retain well qualified individuals to serve as directors and further aligning the interests of such directors with those of the Company's shareholders. Common Stock under the Plan will be made available to Participants as either options to purchase Common Stock ("Options") or Common Stock with certain imposed restrictions as defined herein ("Restricted Stock") collectively with Options, "Awards"). Options granted under the Directors' Plan are not intended to meet all of the requirements of Section 422 of the Internal Revenue Code of 1986, as amended (the "Code"), and the Directors' Plan shall be construed so as to carry out that intent.

ARTICLE 11

EFFECTIVE DATE AND TERM

2.1 EFFECTIVE DATE. The Directors' Plan shall become effective on the date that it is approved by shareholders holding a majority of the outstanding shares of Common Stock of the Company (the "Effective Date").

2.2 TERM. No Option may be granted or Restricted Stock awarded more than ten (10) years after the Effective Date.

2.3 POST TERM ACTIVITY. Options granted within the term of the Plan as set forth in Section 2.2, subject to the all other terms and conditions of the Plan and the agreement(s) governing the grant of the Options, may be exercised, paid out, or modified more than ten years after the Effective Date. Restrictions on Restricted Stock may lapse more than ten (10) years after the Effective Date.

ARTICLE III

STOCK SUBJECT TO PLAN

3.1 MAXIMUM NUMBER. The maximum number of shares of Common Stock that may be issued pursuant to Awards under the Plan is 36,000 subject to the adjustments provided in Article XII, below. Such shares may be newly-issued shares, authorized but unissued shares or shares reacquired by the Company on the open market or otherwise.

3.2 AVAILABILITY OF SHARES FOR AWARD. Shares of Common Stock that are subject to issuance pursuant to an Award may thereafter be subject to a new Award:

(a) if the prior Award to which such shares were subject lapses, expires or terminates without the issuance of such shares; or

(b) shares issued pursuant to an Award are reacquired by the Company pursuant to rights reserved by the Company upon the issuance of such shares; provided, that shares reacquired by the Company may only be subject to new Awards if the Participant received no benefit of ownership from the shares.

Shares of Common Stock that are received by the Company in connection with the exercise of an Option, including the satisfaction of any tax liability or the satisfaction of a tax withholding obligation, may be made subject to issuance pursuant to a later Option.

ARTICLE IV

ADMINISTRATION

4.1 GENERAL ADMINISTRATION. The Company's Board of Directors (the "Board") will supervise and administer the Plan; provided, however, that the Board may appoint a committee (the "Committee") of two (2) or more directors to administer the Plan if deemed necessary or advisable in order to comply with the exemptive rule promulgated pursuant to Section 16(b) of the Securities Exchange Act of 1934, as amended (the "Exchange Act").

4.2 POWERS. Grants of Options under the Plan and the amount, price and timing of the awards to be granted will be automatic as described in Article VI. Awards of Restricted Stock under the Plan and the amount and timing of the awards will be automatic as described in Article IX. However, the Board or Committee shall have discretionary authority to determine all issues with respect to the interpretation of the Plan, Options granted under the Plan and Restricted Stock awarded under the Plan, and with respect to all Plan administration issues.

4.3 SECTION 16 COMPLIANCE. Transactions under this Directors' Plan are intended to comply with all applicable conditions of the exemptive rules promulgated pursuant to Section 16(b) of the Exchange Act. To the extent any provision of the Directors' Plan or action of the Board or Committee fails to so comply, it shall be deemed null and void, to the extent permitted by law and deemed advisable by the Board or Committee.

ARTICLE V

ELIGIBILITY

5.1 ELIGIBILITY. All present or future directors of the Company who are not employees of the Company shall be eligible to participate in the Directors' Plan.

ARTICLE VI

GRANT OF OPTIONS

6.1 AUTOMATIC GRANT. On each annual stockholders' meeting beginning in calendar year 2004, each eligible director who is elected or re-elected to the Board, and each eligible director who is continuing to serve on the Board, shall be granted Options to purchase 300 shares of Common Stock, and the grant date for such Options shall be the day of the annual stockholders' meeting.

6.2 EXERCISE PRICE. The exercise price per share shall be the fair market value per share of Common Stock on the date the Option is granted. For this and all other purposes under the Plan, the fair market value shall be the closing price per share of Common Stock on the New York Stock Exchange ("NYSE") on the date of grant; provided, that if the Common Stock ceases to be listed on the NYSE, the Board or Committee shall designate an alternative method of determining the fair market value of the Common Stock.

6.3 OPTION PERIOD. No Option granted under the Plan shall be exercisable unless and until shareholder approval of the Plan is obtained. Following such approval, Options may be exercised in whole at any time or in part from time to time. An Option shall not be exercisable more than ten years after the date it is granted, and will terminate no later than three years after termination of director status for any reason other than death.

6.4 WRITTEN AGREEMENT. Each Option shall be evidenced by an appropriate written agreement, the form of which shall be consistent with the terms and conditions of the Plan and applicable law, which shall be signed by an officer of the Company and the Participant. A single written agreement may cover the grant of Options in subsequent or prior years.

ARTICLE VII

PAYMENT FOR OPTIONS

7.1 GENERAL. Payments required, if any, upon a Participant's exercise of an Option under the Plan may be made in the form of: (i) cash; (ii) Company stock; (iii) a combination of cash and Company stock; or (iv) such other forms or means that the Board or Committee shall determine in its discretion and in such manner as is consistent with the Plan's purpose and the Code, the Exchange Act, or other applicable laws or regulations.

ARTICLE VIII

TRANSFERABILITY OF OPTIONS AND EFFECT OF ARTICLE OF INTERIMINATION OF DIRECTOR STATUS

8.1 GENERAL. Except as provided herein, no Option or interest therein shall be transferable by a Participant other than by will or by the laws

of descent and distribution.

8.2 EXERCISE UPON DEATH. In the event of the death of a Participant prior to termination of an Option held by such director, each such Option shall be exercisable to the extent provided therein, but not later than one year after the date of death (and not beyond the stated duration of the Option). Any such exercise shall be made only:

- (a) By the executor or administrator of the estate of the deceased Participant or the person or persons to whom the deceased Participant's rights under the Option shall pass by will or the laws of descent and distribution; and
- (b) To the extent, if any, that the deceased Participant was entitled to exercise such Option at the date of his death.

8.3 TRANSFERABILITY OF OPTION DURING LIFETIME. Except as otherwise provided herein, every Option granted under the Plan to a Participant may be assigned or transferred by the Participant to or for the benefit of a member of the Participant's immediate family or to trusts created for their benefit and may thereafter be exercised pursuant to its terms by the person or entity to whom assigned; provided, however, that such transfer does not result in liability under Section 16 of the Exchange Act to the Participant or other Participants and is consistent with registration of the Options and sale of Common Stock on Form S-8 (or a successor form) or the Committee's waiver of such condition.

8.4 FORFEITURE. Any unexpired and unexercised Options held by a Participant shall be immediately forfeited if the Participant is prohibited from serving on the Board by any court of competent jurisdiction or other government authority, or if, in the discretion of the Board or Committee, a Participant is no longer competent to serve on the Board due to the Participant's violation of state or federal securities law or other rule of the NYSE (or such other listing standards then applicable to the Company).

8.5 RESALE LIMITATION. Shares of Common Stock issued upon exercise of Options under the Plan are subject to effective registration statements filed with the Securities and Exchange Commission and are freely transferable. However, any sale of shares acquired through the exercise of Options by a director must be made pursuant to an effective registration statement under the Securities Act of 1933, as amended, or under an applicable exemption from registration (such as SEC Rule 144). Any such sale be reported to the SEC in accordance with the applicable provisions of Section 16 of the Exchange Act and rules promulgated thereunder.

ARTICLE IX

AWARD OF RESTRICTED STOCK

9.1 AUTOMATIC AWARD. On each annual Shareholders' meeting beginning in calendar year 2004, each eligible director who is elected or re-elected to the Board, and each eligible director who is continuing to serve on the Board, shall be awarded 300 shares of Common Stock with the transferability restrictions set forth in Article X ("Restricted Stock"), and the award date for such Restricted Stock awarded shall be the day of the annual Shareholders' meeting.

9.2 WRITTEN AGREEMENT. Each Restricted Stock award shall be evidenced by an appropriate written agreement, the form of which shall be consistent with the terms and conditions of the Plan and applicable law, which shall be signed by an officer of the Company and the Participant. A single written agreement may cover the award of Restricted Stock in subsequent or prior years.

9.3 RIGHTS OF HOLDER OR RESTRICTED STOCK. Except for the restrictions on transfer and risk of forfeiture, the Participant shall have, with respect to shares of Restricted Stock, all of the rights of a shareholder of Common Stock, including, if applicable, the right to vote the shares and the right to receive any cash or stock dividends. Unless otherwise determined by the Board or Committee and subject to the terms of the Plan, cash or stock dividends on shares of Restricted Stock shall be payable to the Participant as they are paid by the Company, even if the restrictions on the shares to which such dividends relate have not yet lapsed. Cash dividends, if deferred, shall be paid with an appropriate rate of interest, as determined by the Board or Committee.

ARTICLE X

TRANSFERABILITY OF RESTRICTED STOCK

10.1 TRANSFERABILITY RESTRICTION. Except as otherwise provided for in this Article X, for a period of three (3) years from the date of award, the Restricted Stock shall not be subject to sale, assignment, pledge or other transfer of disposition by the Participant, except by reason of an exchange or conversion of such shares because of merger, consolidation, reorganization or other corporate action. Any shares into which the Restricted Stock may be converted or for which the Restricted Stock may be exchanged in a merger, consolidation, reorganization or other corporate action shall be subject to the same transferability restrictions as the Restricted Stock.

10.2 RELEASE OF THE TRANSFERABILITY RESTRICTION. One-third (1/3) of the Restricted Stock awarded on a particular date shall become freely transferable on each of the subsequent three (3) anniversaries of the date of award:

Example: If a Restricted Stock award of 90 shares is made on January 1, 2004, 30 shares of that award become freely transferable on January 1, 2005, another 30 shares of that award become freely transferable on January 1, 2006 and the final 30 shares of that award become freely transferable on January 1, 2007.

10.3 TRANSFERABILITY OF RESTRICTED STOCK UPON DEATH OR VOLUNTARY RETIREMENT. Subject to the forfeiture provisions set forth in Article XI, all Restricted Stock held by a Participant shall become freely transferable upon the death of the Participant or the Participant's voluntary retirement from the Board.

10.4 RESALE LIMITATION. Restricted Stock awarded under the Plan is subject to effective registration statements filed with the Securities and Exchange Commission and is freely transferable, except as provided in this Article X. However, any sale of Restricted Stock by a director must be made pursuant to an effective registration statement under the Securities Act of 1933, as amended, or under an applicable exemption from registration (such as SEC Rule 144). Any such sale be reported to the SEC in accordance with the applicable provisions of Section 16 of the Exchange Act and rules promulgated thereunder.

ARTICLE XI

FORFEITURE OF RESTRICTED STOCK

11.1 GENERAL. Any Restricted Stock held by a Participant that remains subject to the transfer restrictions set forth in Section 10.2 shall be immediately forfeited if the Participant:

- (a) is recommended by the Company to be re-elected to the Board and fails to be re-elected by the shareholders of the Company to the Board in that election; or
- (b) is prohibited from serving on the Board by any court of competent jurisdiction or other government authority, or in the discretion of the Board or Committee is no longer competent to serve on the Board due to the Participant's violation of state or federal securities law or other rule of the NYSE (or such other listing standards then applicable to the Company).

ARTICLE XII

ADJUSTMENT PROVISIONS

12.1 CHANGES IN CAPITALIZATION. If the Company shall at any time change the number of issued shares of Common Stock without new consideration to the Company (by stock dividends, stock splits, split-up, spin-off, or similar transactions), the total number of shares reserved for issuance under this Plan and the number of shares subject to each outstanding Option shall be adjusted so that the aggregate consideration payable to the Company, if any, and the value of each such Option shall not be changed.

12.2 REORGANIZATION, SALE, ETC. Options granted hereunder may also contain provisions for their continuation, acceleration, immediate vesting, or for other equitable adjustments after changes in the Common Stock resulting from reorganization, sale, merger, consolidation, dissolution, liquidation or similar circumstances.

ARTICLE XIII

AMENDMENT AND TERMINATION OF PLAN

13.1 GENERAL. The Board, without further approval of the Company's

shareholders, may amend the Plan from time to time or terminate the Plan at any time, provided that:

- (a) no action authorized by this Article shall reduce the amount of any existing Option or Restricted Stock award or change the terms and conditions thereof without the Participant's consent; and
- (b) no amendment of the Plan shall, without the approval of the Company's shareholders, (i) increase the total number of shares of Common Stock that may be issued under the Plan or increase the amount or type of Option that may be granted under the Plan or increase the amount of Restricted Stock that may be awarded under the Plan; (ii) change the minimum purchase price, if any, of shares of Common Stock that may be made subject to Options under the Plan; (iii) modify the requirements as to eligibility for an Option under the Plan; (iv) extend the term of the Plan; or (v) constitute a material revision of the Plan under the listing standards of the NYSE (or such other listing standards then applicable to the Company).

ARTICLE XIV

MISCELLANEOUS

14.1 WITHHOLDING TAXES. No later than the date as of which an amount first becomes includible in the gross income of the Participant for federal income tax purposes with respect to the award of Restricted Stock or the exercise of any Option granted under the Plan, the Participant shall pay to the Company, or make arrangements satisfactory to the Company or other entity identified by the Board or Committee regarding the payment of any federal, state, local or foreign taxes of any kind required by law to be withheld. Such withholding obligations may be settled with Common Stock, including Common Stock that is received upon the exercise of the Option that gives rise to the withholding requirement. The obligations of the Company under the Plan shall be conditional upon such payment or arrangements, and the Company shall, to the extent permitted by law, have the right to deduct any such taxes from any payment otherwise due to the Participant.

14.2 TENURE. A Participant's right, if any, to continue to serve the Company as a director shall not be enlarged or otherwise affected by his designation as a Participant under the Directors' Plan.

14.3 CONTROLLING LAW. The Plan, all Options granted, all Restricted Stock awarded and actions taken hereunder shall be governed by and construed in accordance with the laws of the State of Wisconsin (other than its law respecting choice of law). The Plan shall be construed to comply with all applicable law and to avoid liability to the Company or a Subsidiary, including, without limitation, liability under Section 16(b) of the Exchange Act.

14.4 HEADINGS. The headings contained in the Plan are for reference purposes only, and shall not affect the meaning or interpretation of the Plan.

14.5 SEVERABILITY. If any provision of the Plan shall for any reason be held to be invalid or unenforceable, such invalidity or unenforceability shall not affect any other provision hereby, and this Plan shall be construed as if such invalid or unenforceable provision were omitted.

14.6 SUCCESSORS AND ASSIGNS. This Plan shall inure to the benefit of and be binding upon each successor and assign of the Company. All obligations imposed upon a Participant, and all rights granted to the Company hereunder, shall be binding upon the Participant's heirs, legal representatives and successors.

14.7 ENTIRE AGREEMENT. This Plan and any agreements governing the grant of Options or Restricted Stock awards hereunder to any Participant constitutes the entire agreement with respect to the subject matter hereof with respect to such Participant, provided that in the event of any inconsistency between the Plan and any such agreement(s), the terms and conditions of the Plan shall control.

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in this Registration Statement on Form S-8 of our report dated July 30, 2004 relating to the financial statements and financial statement schedule of Twin Disc, Incorporated, which appears in Twin Disc, Incorporated's Annual Report on Form 10-K for the fiscal year ended June 30, 2004.

/s/ PricewaterhouseCoopers LLP
Milwaukee, WI
October 15, 2004