



Twin Disc Subsidiary Katsa Invests in New Assembly Plant to Meet Rising Global Demand

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TAMPERE, Finland, Oct. 14, 2026 (GLOBE NEWSWIRE) -- **Twin Disc, Inc. (NASDAQ: TWIN)** subsidiary Katsa today announced that it is expanding its capacity with a 54,000-square-foot gearbox assembly facility and warehouse in Pirkkala, Finland in response to a double-digit percentage year-over-year increase in demand.

The new plant, expected to be fully operational by May 2027, brings together gearbox assembly, testing and painting under one roof. The unified design will streamline operations by reducing material handling steps and maximizing production flow. In addition, a dedicated warehouse will support efficient inbound and outbound logistics for components from suppliers and from Katsa's nearby Tampere manufacturing plant and provide on-site storage.

"This investment gives us the space and production capability to meet our customers' current needs and positions Katsa for future growth," said Tomi Koskinen, Managing Director, European Manufacturing Operations, Twin Disc. "By 2028, we expect to double our gearbox assembly capacity, and plans are already underway for a phase two expansion."

Katsa's growth is driven by demand from multiple industries, including defense, industrial power generation and heavy equipment. While Katsa does not supply gearboxes directly to data centers, it provides components to major engine manufacturers who design and install backup power systems for these facilities.

The company is currently adding 40 employees at its manufacturing operations and its two existing assembly locations in Tampere and will transition 25 experienced workers to the new facility in Pirkkala. By June 2027, Katsa expects to have a total workforce of approximately 250 employees.

The site will feature a new 20-ton overhead crane—doubling the lifting capacity of Katsa's current assembly operation—and will enable the company to assemble and test larger industrial gearboxes. The facility will also include a renewable energy heating and cooling system. Ten geothermal wells, each about 1,150 feet deep, will provide approximately 98% of the building's heating and cooling needs.

Construction recently reached a major milestone with the completion of the building's roof. To celebrate, Katsa hosted a traditional Finnish *harjakaiset* (topping off) ceremony last week.

"For the past 10 years, Katsa has been in a growth mode," said Koskinen. "This new facility will increase our gearbox assembly and painting productivity and allow us to continue our upward trajectory."

About Katsa

Katsa is a Finland-based designer and manufacturer of gearboxes and power transmission components for industrial and defense applications. The company specializes in customized solutions tailored to unique customer requirements and offers a comprehensive range of aftermarket services, including modeling, modernization, gearbox repair, maintenance and spare parts support. For more information, visit www.katsa.fi/en/.

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, control systems, and braking 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, military 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.

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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Katsa Facility



Katsa Facility Group Image

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A photo accompanying this announcement is available at <https://www.globenewswire.com/NewsRoom/AttachmentNg/e87b421e-c364-42e2-9da6-40c7bd84237e>