

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

Current Report Pursuant to Section 13 or 15(d) of
The Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported): February 3, 2009

Twin Disc, Incorporated
(exact name of registrant as specified in its charter)

WISCONSIN
(State or other jurisdiction
of incorporation)

001-7635
(Commission
File Number)

39-0667110
(IRS Employer
Identification No.)

1328 Racine Street Racine, Wisconsin 53403
(Address of principal executive offices)

Registrant's telephone number, including area code: (262) 638-4000

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 7.01 Regulation FD Disclosure

The executive officers of Twin Disc intend to present materials at meetings with investors and analysts and at investor conferences on or after February 3, 2009. A copy of the presentation materials to be used at those meetings and from time to time thereafter is filed as Exhibit 99.1 hereto. The presentation materials will also be posted on the Company's website, www.twindisc.com. The Company does not intend to file any update of these presentation materials. The fact that these presentation materials are being furnished should not be deemed an admission as to the materiality of any information contained in the materials.

The information included in the presentation includes financial information determined by methods other than in accordance with accounting principles generally accepted in the United States of America ("GAAP"). The Company's management uses these non-GAAP measures in its analysis of the Company's performance. The Company believes that the presentation of certain non-GAAP measures provides useful supplemental information that is essential to a proper understanding of the operating results of the Company's core businesses. These non-GAAP disclosures should not be viewed as a substitute for operating results determined in accordance with GAAP, nor are they necessarily comparable to non-GAAP performance measures that may be presented by other companies.

The information in this Form 8-K being furnished under Item 7.01 shall not be deemed to be "filed" for the purposes of Section 18 of the Securities and Exchange Act of 1934 (the "Exchange Act"), or otherwise subject to the liabilities of such section, nor shall such information be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing. The presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on the Company's expectations and involve risks and uncertainties that could cause the Company's actual results to differ materially from those set forth in the statements. These risks are discussed in the Company's filings with the Securities and Exchange Commission, including an extensive discussion of these risks in the Company's Annual Report on Form 10-K for the year ended June 30, 2008.

Item 9.01 Financial Statements and Exhibits

(c) Exhibits

<u>EXHIBIT NUMBER</u>	<u>DESCRIPTION</u>
99.1	Presentation Materials – 2 nd Quarter Fiscal 2009.

SIGNATURE

Pursuant to the requirements of section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: February 3, 2009

Twin Disc, Inc.

/s/THOMAS E. VALENTYN
Thomas E. Valentyn
General Counsel & Secretary



Twin Disc, Incorporated





Safe Harbor Statement

This presentation contains statements that are forward-looking within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended. These statements are based on management's current expectations that are based on assumptions that are subject to risks and uncertainties. Actual results may vary because of variations between these assumptions and actual performance. Investors are referred to Twin Disc's fiscal year 2008 Annual Report and Form 10-K, "Management's Discussion and Analysis of Financial Condition and Results of Operations - Forward-Looking Information," which outlines certain risks regarding the Company's forward-looking statements. Copies of the Company's SEC filings may be obtained from the SEC, and are available on Twin Disc's web site (www.twindisc.com), or by request from the Investor Relations department at the Company.



Twin Disc At A Glance



- ☆ Manufacturing location (# of facilities in each location)
- Company owned distribution/service location
- Purchasing/sourcing offices

- Founded in 1918
- Headquartered in Racine, WI
- 1,000+ employees
- FY08 Revenues of \$332M
- We are a global company
 - Well-known customers around the world
 - Mfg Operations in the U.S., Italy, Belgium, Switzerland and Japan
 - World-wide distributor network
 - 61% of fiscal 2008 sales to international markets

Corporate Profile - Market Diversity

Pleasure Craft Market:

- *Target Markets:* High speed planing and displacement yachts from 50' to 150', diesel powered
- *Products:* Transmissions, Surface Drives, Propellers, Steering/Thruster/Trim Systems, Water Jets, Controls
- *Channels:* Engine OEMs & dealers, & boat builders
- *Customers:* CAT, CMD, MAN, MTU, Volvo / Azimuth, Baia, Ferretti, Palmer Johnson, Riviera, Sanlorenzo, Sunseeker
- *Competition:* ZF, Reintjes / Kamewa /Side Power, Ultraflex



Corporate Profile - Market Diversity

Work Boat Market:

- **Target Markets:** planing and displacement vessels from 30' to 250', diesel powered
- **Products:** Transmissions, Propellers, MCD's, Water Jets, Controls
- **Channels:** Engine OEMs & dealers, boat builders & distribution
- **Customers:** CAT, Cummins, IVECO, Mitsubishi, Volvo / Damen / Sewart Supply (operators: Secor, Tidewater)
- **Competition:** ZF, Reintjes / Kamewa, Hamilton



Corporate Profile - Market Diversity

Patrol Boat Market:

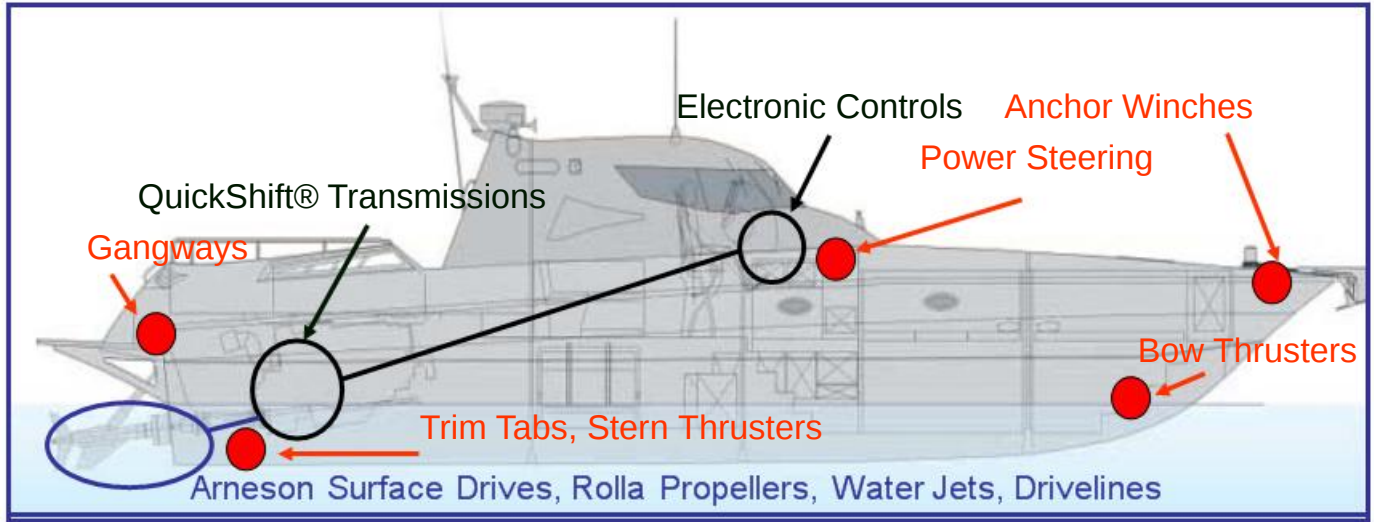
- *Target Markets:* military, patrol and coast guard vessels from 30' to 90', diesel powered
- *Products:* Transmissions, Surface Drives, Propellers, Steering/Thruster/Trim Systems, Water Jets, Controls
- *Channels:* Engine OEMs & dealers, & boat builders
- *Customers:* CAT, CMD, MAN, MTU, Volvo / Israeli Navy, Turkish Coast Guard, USCG, US Navy, RCMP
- *Competition:* ZF / Kamewa





Corporate Profile - Market Diversity

Marine Transmissions, Propulsion & Boat Management Systems



Corporate Profile - Market Diversity

Industrial Transmissions:

- *Target Market:* Off-highway and all-terrain specialty vehicles, diesel powered
- *Products:* Powertrain components - - 400 to 3,000 HP
- *Channel:* OEM vehicle mfrs.
- *Customers:* BAE, Oshkosh, Tatra / BJ Services, Cisco High-Lift, Crown Energy, Enerflo, Fractec, Trican
- *Competitors:* Allison, ZF



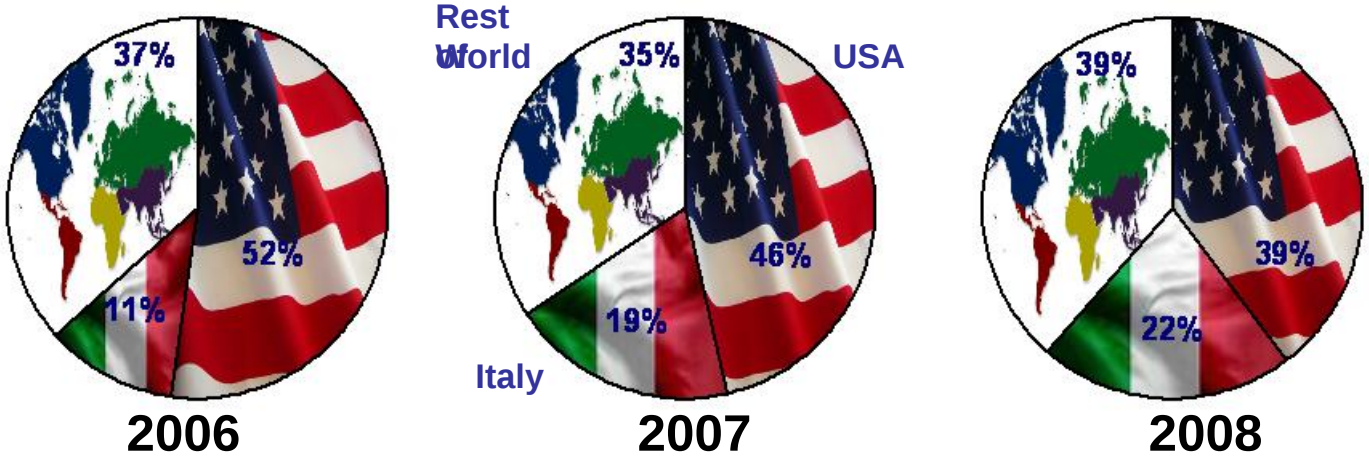
Corporate Profile - Market Diversity

Industrial Products:

- **Target Market:** Heavy duty industrial disconnect applications
- **Products:** Mechanical & hydraulic clutches, PTOs & pump mount drives, 100 - 2,500 HP
- **Channels:** Distribution & OEMs
- **Customers:** Bandit, Morbark, Peterson Pacific / OEM engine dealers
- **Competitors:** Funk, NACD, PT Tech, Stiebel, Transfluid, WPT



Corporate Profile - Geographic Diversity



48% International Sales



61% International Sales



What Differentiates Us?

- Technology
 - Land-Based
 - 8500 Series
 - “Pump & Roll”
 - “Legacy” Contracts
 - Electronic Control Systems
 - Marine
 - QuickShift®
 - Dynamic Positioning
 - Rolla CFD
 - Electronic/Hydraulic Boat Management Systems
- Global Distribution and Service Network
- Product/Market & Geographic Diversity
- Niche Market Focus
- 90 Years of Proven Application Know-How
- Core Manufacturing Capabilities



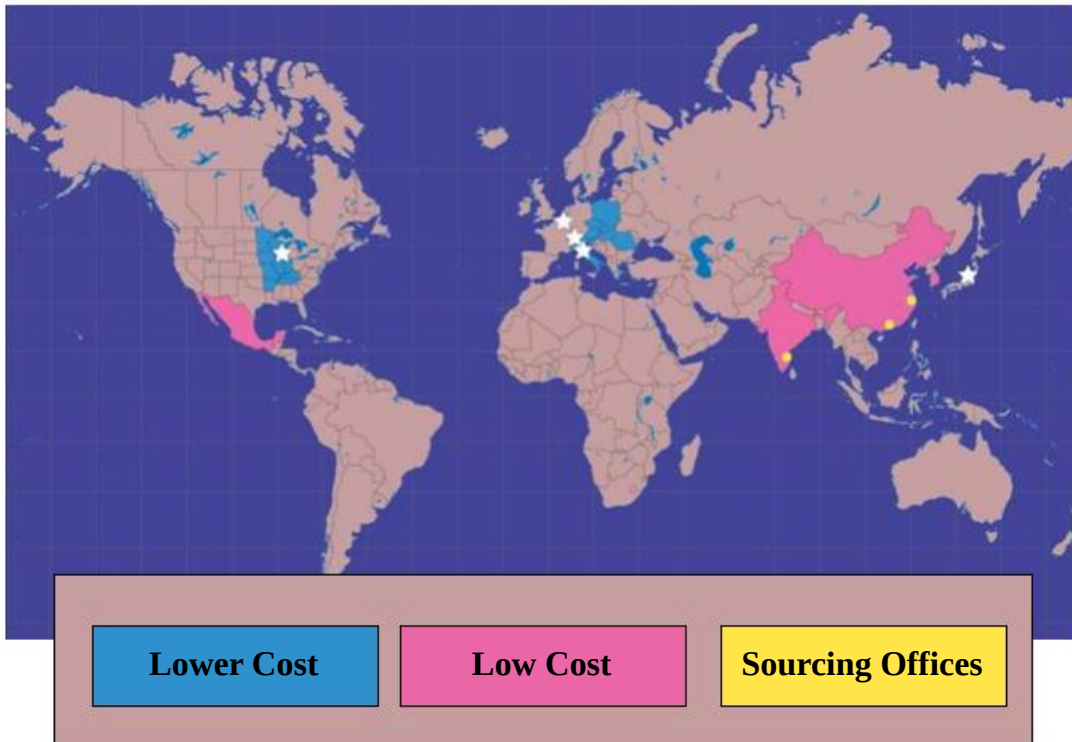
Managing Our Cost Structure

Investing in Core Competencies



Managing Our Cost Structure

Global Sourcing





FY 2009 First Half Highlights

- **Major Markets Experience Varied Results**
 - Shipment and order weakness emerged for mega yachts during second quarter
 - Demand for oil and gas transmissions continued at soft levels
 - Increased shipments and demand for industrial products continued through the second fiscal quarter
 - Shipments of land based transmission products for the Airport Rescue and Fire Fighting (ARFF) and military markets were off slightly in the first half, although backlog remained strong
 - Commercial marine markets continued strong and improved versus year ago levels
- **Gross margins at 27.9%, down from 31.6% for FY 2008**
 - Impacted by unfavorable product mix, higher material costs and increased domestic pension expense
- **Diluted EPS of \$0.52, off record FY 2008 level of \$0.81**
- **Six Month Backlog at end of 2nd Fiscal Qtr >> \$106 million**



Net Sales & Net Earnings (Fiscal Year)



* See Appendix III for reconciliation of TTM (trailing 12 month) figures to reported figures.



Net Sales & Net Earnings (Second Fiscal Quarter)





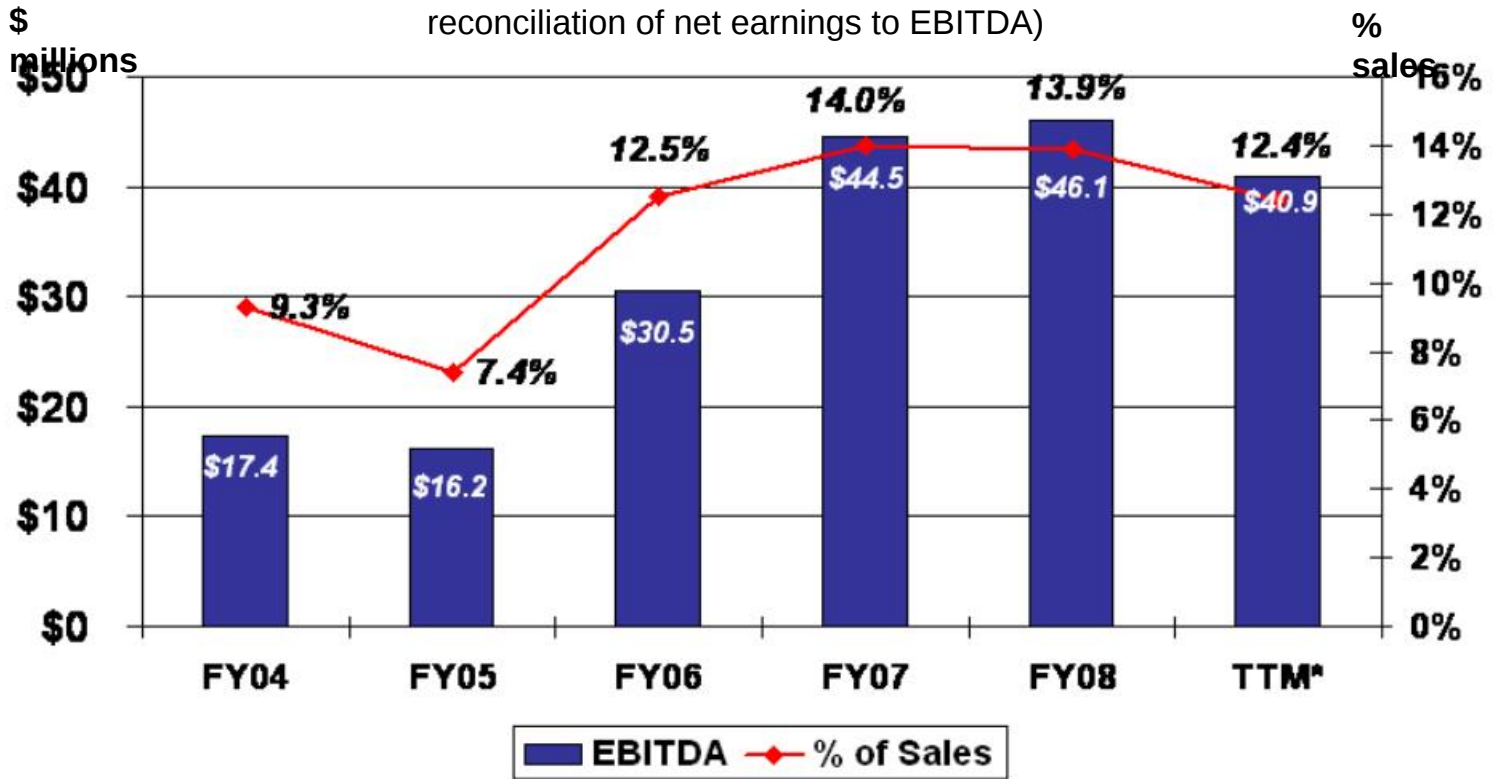
Net Sales & Net Earnings (First Fiscal Half)





EBITDA

(See Appendices I & II for note on non-GAAP Financial Disclosures and a reconciliation of net earnings to EBITDA)



* See Appendix III for reconciliation of TTM figures to reported figures.

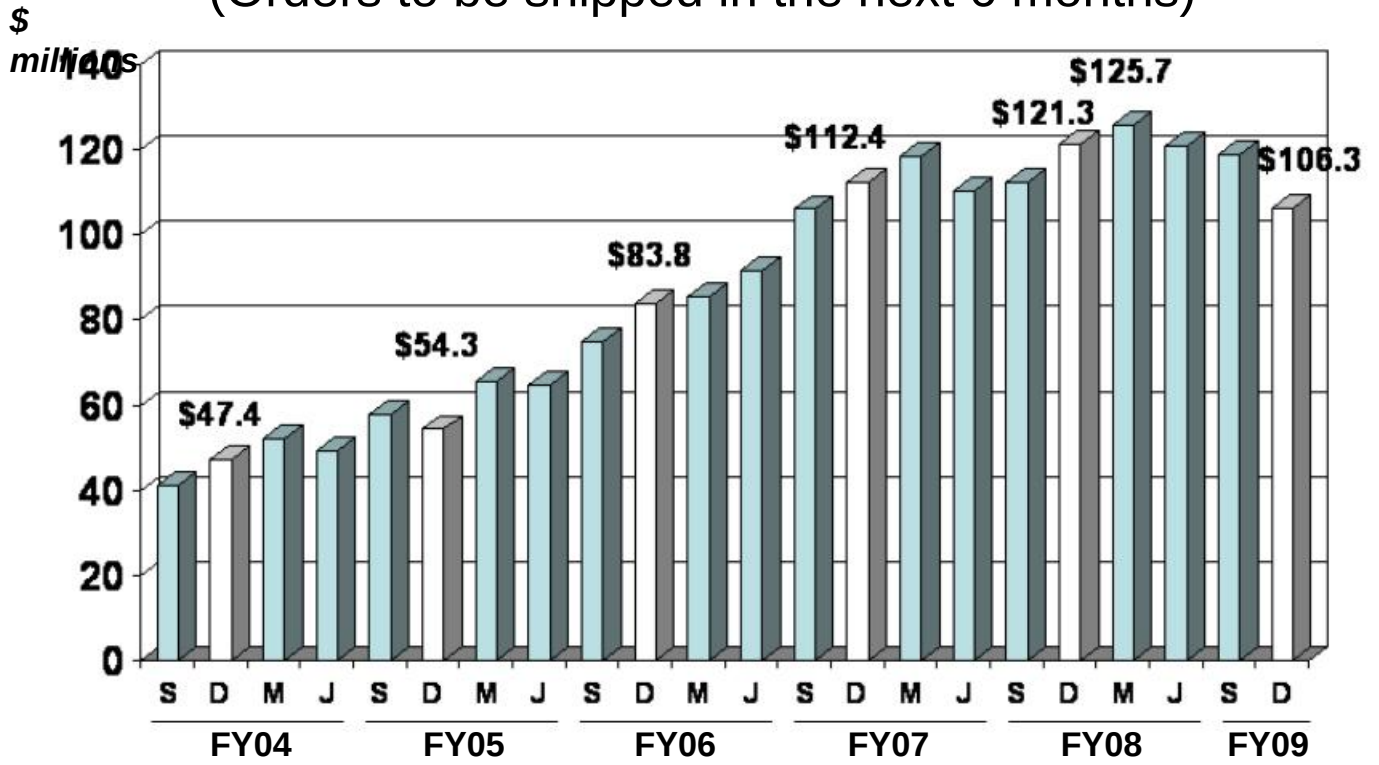


Looking Ahead



Corporate Six Month Backlog

(Orders to be shipped in the next 6 months)





Fiscal Year 2009/10 Outlook

- Cautious outlook in face of global turmoil
- Certain key markets will experience weakness
 - Oil and gas and mega yacht markets softness expected to continue into next fiscal year
- Other key markets expected to remain stable
 - Commercial marine, military and airport firefighting and rescue markets will continue stable
- Continue to control global spending
 - Reduced FY 2009 CAPEX forecast to \$10-\$12 million, down from prior estimate of \$15-\$17 million



Fiscal Year 2009/10 Outlook

- Technology differentiation/new products
- Opportunity for operating leverage continues
 - Expanding global outsourcing
 - Investing in core competencies
- Active Acquisition Program
- Active stock buyback program (Board authorized repurchase of up to an additional 250,000 shares)



Twin Disc, Incorporated





Appendices



Appendix I

Non-GAAP Financial Disclosures

Non-GAAP Financial Disclosures

Financial information excluding the impact of certain significant items in this presentation are not measures that are defined in U.S. Generally Accepted Accounting Principles ("GAAP"). These items are measures that management believes are important to adjust for in order to have a meaningful comparison to prior and future periods and to provide a basis for future projections and for estimating our earnings growth prospects. Non-GAAP measures are used by management as a performance measure to judge profitability of our business absent the impact of foreign currency exchange rate changes and acquisitions. Management analyzes the company's business performance and trends excluding these amounts. These measures, as well as EBITDA, provide a more consistent view of performance than the closest GAAP equivalent for management and investors. Management compensates for this by using these measures in combination with the GAAP measures. The presentation of the non-GAAP measures in this presentation are made alongside the most directly comparable GAAP measures.

Definition - - Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA)

The sum of, net earnings and adding back provision for income taxes, interest expense, depreciations and amortization expenses: this is a financial measure of the profit generated excluding the above mentioned items.



Appendix II

Reconciliation of Net Earnings to EBITDA

<i>in \$ thousands, except % data</i>	TTM	2008	2007	2006	2005	2004
Net Earnings	\$ 20,836	\$ 24,252	\$ 21,852	\$ 14,453	\$ 6,910	\$ 5,643
Income Taxes	8,214	10,904	12,273	8,470	2,485	4,964
Interest Expense	2,781	3,038	3,154	1,718	1,134	1,078
Depreciation & Amortization	9,075	7,881	7,252	5,866	5,677	5,692
Earnings before interest, taxes, depreciation and amortization	\$ 40,906	\$ 46,075	\$ 44,531	\$ 30,507	\$ 16,206	\$ 17,377
Net Sales	\$ 330,456	\$ 331,694	\$ 317,200	\$ 243,287	\$ 218,472	\$ 186,089
EBITDA as a % of Sales	12.4%	13.9%	14.0%	12.5%	7.4%	9.3%

* See Appendix III for reconciliation of TTM figures to reported figures.



Appendix III

Reconciliation of TTM Data to Reported Quarterly Figures

	Q1 08*	Q2 08*	Q3 08*	Q4 08*	FY 08	Q1 09*	Q2 09*	TTM
			(A)	(A)		(A)	(A)	Σ (A)
Sales	\$ 73,613	\$81,894	\$85,838	\$90,349	\$ 331,694	\$ 72,671	\$81,598	\$ 330,456
Gross Profit	23,851	25,346	26,627	29,045	104,868	20,072	22,953	98,697
Interest Exp	744	825	757	713	3,038	597	714	2,781
Net Earnings	5,106	4,209	7,929	7,009	24,252	2,465	3,433	20,836
EPS, Diluted	\$ 0.44	\$ 0.37	\$ 0.70	\$ 0.62	\$ 2.13	\$ 0.22	\$ 0.30	\$ 1.84
EPS, Basic	\$ 0.44	\$ 0.37	\$ 0.71	\$ 0.63	\$ 2.15	\$ 0.22	\$ 0.31	\$ 1.87
CAPEX	2,502	4,318	3,785	4,394	14,999	1,679	2,972	12,830
Deprec.	1,755	1,805	1,866	2,455	7,881	2,399	2,355	9,075
Oper Cash Flow	5,142	6,207	(197)	8,893	20,045	(1,292)	4,023	11,427
Dividends	653	784	783	780	3,000	789	789	3,141
Pretax Income	8,418	6,964	10,707	9,159	35,248	3,977	5,423	29,266
Taxes	3,237	2,729	2,719	2,218	10,904	1,353	1,924	8,214

* Quarterly Data is from the Company's unaudited quarterly Form 10-Q filings with the SEC.



Appendix IV

Fiscal Year Condensed Consolidated Statements of Operations

(\$ thousands, per Form 10-K)	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Sales	\$ 331,694	\$ 317,200	\$ 243,287	\$ 218,472	\$ 186,089
Gross Profit	104,868 31.6%	102,909 32.4%	74,390 30.6%	57,420 26.3%	48,285 25.9%
MEA Expense	66,349 20.0%	63,267 19.9%	49,606 20.4%	44,666 20.4%	37,168 20.0%
Restructuring	(373)	2,652	-	2,076	-
Interest Expense	3,038	3,154	1,718	1,134	1,078
Misc. Exp/(Inc)	606	(493)	14	52	(593)
Pretax Earnings	35,248	34,329	23,052	9,492	10,632
Income Taxes	10,904	12,273	8,470	2,485	4,964
Minority Interest	(92)	(204)	(129)	(97)	(25)
Net Earnings	<u>\$ 24,252</u>	<u>\$ 21,852</u>	<u>\$ 14,453</u>	<u>\$ 6,910</u>	<u>\$ 5,643</u>
EBITDA	\$ 46,075	\$ 44,531	\$ 30,507	\$ 16,206	\$ 17,377
DILUTED EPS	\$ 2.13	\$ 1.84	\$ 1.22	\$ 0.59	\$ 0.50



Appendix VI

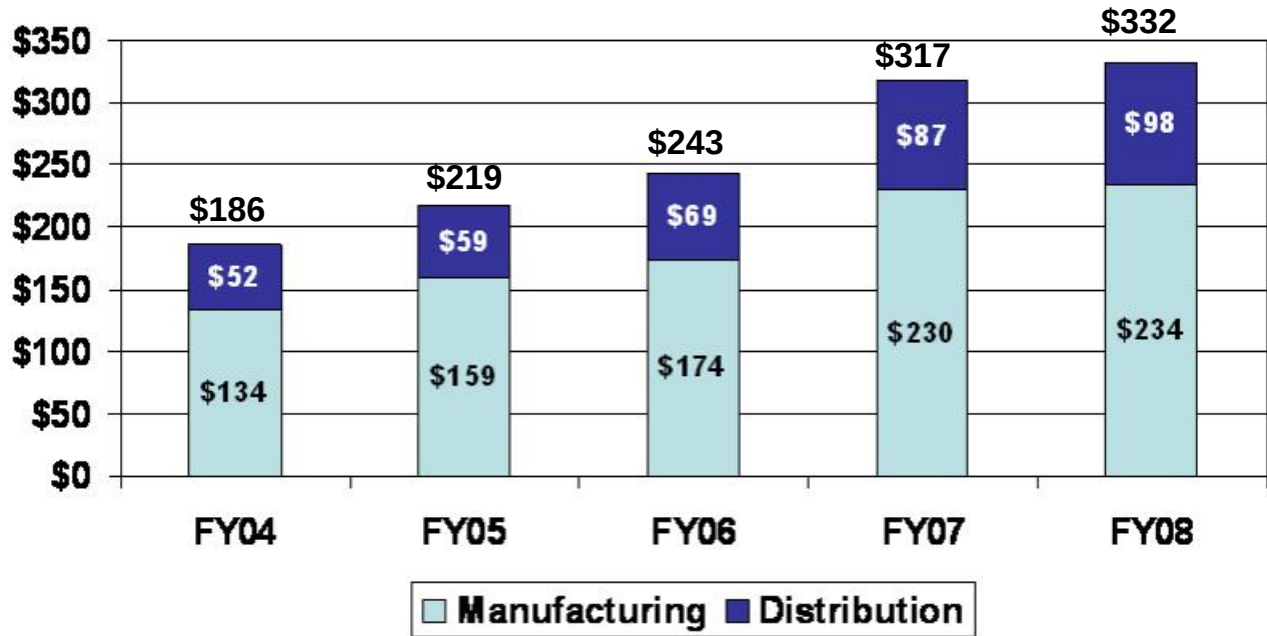
2nd Fiscal Quarter Condensed Consolidated Statements of Operations

(\$ thousands, unaudited)	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Sales	\$ 81,598	\$ 81,894	\$ 74,239	\$ 57,051	\$ 54,731
Gross Profit	22,953 28.1%	25,346 30.9%	24,389 32.9%	16,023 28.1%	13,938 25.5%
MEA Expense	17,008 20.8%	17,378 21.2%	14,528 19.6%	11,489 20.1%	11,261 20.6%
Interest Expense	714	825	824	399	291
Misc. Exp/(Inc)	<u>(192)</u>	<u>179</u>	<u>(248)</u>	<u>(47)</u>	<u>185</u>
Pretax Earnings	5,423	6,964	9,285	4,182	2,201
Income Taxes	1,924	2,729	3,573	1,671	1,045
Minority Interest	(66)	(26)	(42)	(22)	(43)
Net Earnings	<u>\$ 3,433</u>	<u>\$ 4,209</u>	<u>\$ 5,670</u>	<u>\$ 2,489</u>	<u>\$ 1,113</u>
EBITDA	\$ 8,426	\$ 9,568	\$ 11,991	\$ 5,963	\$ 3,764
DILUTED EPS	\$ 0.31	\$ 0.37	\$ 0.48	\$ 0.21	\$ 0.10



Appendix VI

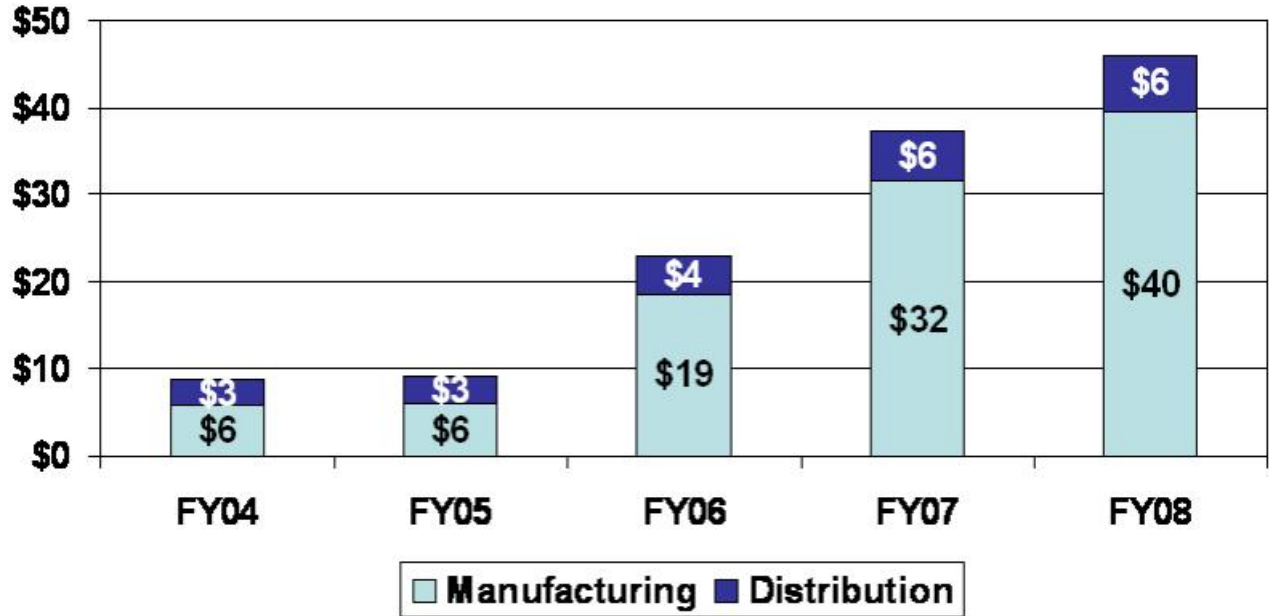
Net Sales by Segment





Appendix VII

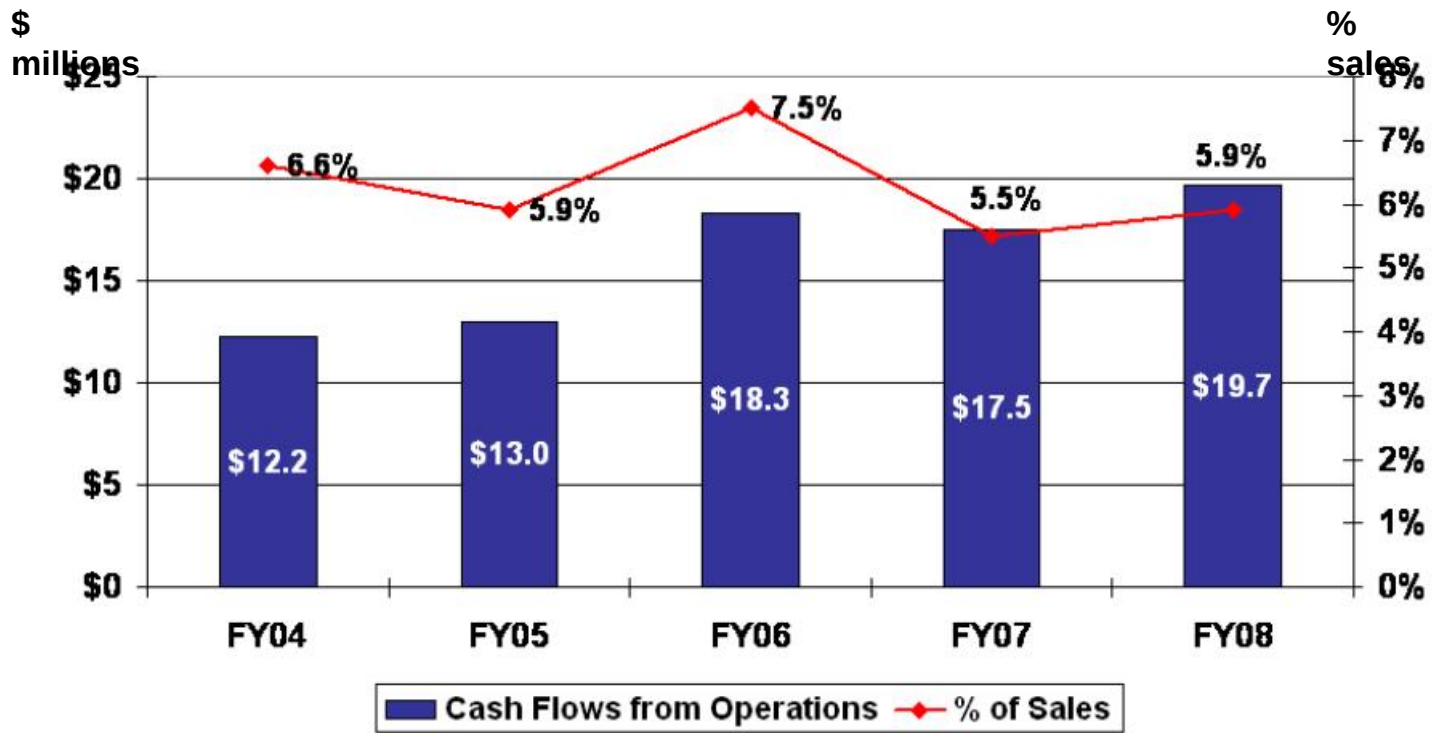
Net Earnings by Segment (before Corporate Expense)





Appendix VIII

Operating Cash Flows





Twin Disc, Incorporated



