

Tuesday, January 13, 2004

NORTHERN TECHNOLOGIES INTERNATIONAL CORPORATION  
ANNOUNCES SALES AND EARNINGS FOR  
FIRST QUARTER FISCAL YEAR 2004 ENDED NOVEMBER 30, 2003

|   | November 30,<br>2003 | November 30,<br>2002 |
|---|----------------------|----------------------|
| NORTH AMERICAN OPERATIONS:                          |                      |                      |
| Sales   | \$ 2,538,757         | \$ 1,981,071         |
| Cost of goods sold                                  | <u>1,313,113</u>     | <u>916,592</u>       |
| Gross profit  | 1,225,644            | 1,064,479            |
| Operating expenses                                  | <u>1,241,452</u>     | <u>1,134,790</u>     |
| NORTH AMERICAN OPERATING LOSS                       | (15,808)             | (70,311)             |
| INCOME FROM CORPORATE JOINT VENTURES                | 431,522              | 299,377              |
| INTEREST INCOME                                     | <u>8,491</u>         | <u>22,254</u>        |
| INCOME BEFORE INCOME TAX EXPENSE (BENEFIT)          | 424,205              | 251,320              |
| INCOME TAX EXPENSE (BENEFIT)                        | <u>51,000</u>        | <u>(1,000)</u>       |
| NET INCOME  | <u>\$ 373,205</u>    | <u>\$ 252,320</u>    |
| NET INCOME PER COMMON SHARE:                        |                      |                      |
| Basic   | <u>\$ 0.09</u>       | <u>\$ 0.07</u>       |
| WEIGHTED AVERAGE COMMON SHARES ASSUMED OUTSTANDING: |                      |                      |
| Basic   | <u>3,626,192</u>     | <u>3,638,530</u>     |

Net sales increased by \$557,686 or 28.2% during the first quarter of 2004 from those of the first quarter of 2003. First quarter of 2004 North America sales have benefited due an improving North America economy, expanding export environment for existing North America customers, and investing in both strategic and tactical sales account development strategies.

Income from corporate joint ventures was \$431,522 and 299,377 for the three months ended November 30, 2003 and 2002, respectively. The increase is of \$132,145 is mostly due to the increase in fees for technical support and other services.

NTI offers expert technical service in corrosion management and unique technically superior products that prevent corrosion. The products and services primarily include proprietary volatile corrosion inhibiting products and packaging, sold under the brand name ZERUST®. The Company provides rust and corrosion protection products and custom packaging systems for automotive, electronics, electrical, mechanical, and military applications. Additionally, the Company offers direct on-site technical support on rust and corrosion issues in 46 countries, and operates a marketing, distribution, and technical network in Asia, Europe, North and South America as well as the Middle East.

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The statements regarding Northern Technologies International Corporation contained in this release that are not historical in nature, particularly those that utilize terminology such as "may," "will," "should," "likely," "expects," "anticipates," "estimates," "believes" or

"plans," or comparable terminology, are forward-looking statements based on current expectations and assumptions, and entail various risks and uncertainties that could cause actual results to differ materially from those expressed in such forward-looking statements. Important factors known to Northern Technologies International Corporation that could cause such material differences are identified and discussed from time to time in Northern Technologies International Corporation's filings with the Securities and Exchange Commission, including those factors which are discussed in Northern Technologies International Corporation's Annual Report on Form 10-KSB, for the fiscal year ended August 31, 2003, which factors are incorporated herein by reference.

Northern Technologies International Corporation undertakes no obligation to correct or update any forward-looking statements, whether as a result of new information, future events or otherwise. You are advised, however, to consult any future disclosure Northern Technologies International Corporation makes on related subjects in future reports to the SEC.