

Tuesday, April 13, 2004

NORTHERN TECHNOLOGIES INTERNATIONAL CORPORATION
ANNOUNCES SALES AND EARNINGS FOR
SECOND QUARTER FISCAL YEAR 2004 ENDED FEBRUARY 29, 2004

	<u>Three Months Ended</u>		<u>Six Months Ended</u>	
	<u>February 29, 2004</u>	<u>February 28, 2003</u>	<u>February 29, 2004</u>	<u>February 28, 2003</u>
NORTH AMERICAN OPERATIONS:				
Sales	\$ 2,543,648	\$ 2,001,116	\$ 5,082,405	\$ 3,982,187
Cost of goods sold	<u>1,209,119</u>	<u>958,424</u>	<u>2,522,232</u>	<u>1,875,016</u>
Gross profit	1,334,529	1,042,692	2,560,173	2,107,171
Operating expenses:	<u>1,289,656</u>	<u>1,169,367</u>	<u>2,531,108</u>	<u>2,304,158</u>
NORTH AMERICAN OPERATING INCOME (LOSS)	44,873	(126,675)	29,065	(196,987)
INCOME FROM CORPORATE JOINT VENTURES	77,936	534,431	509,458	833,807
INTEREST INCOME	<u>24,266</u>	<u>48,657</u>	<u>32,757</u>	<u>70,914</u>
INCOME BEFORE INCOME TAX EXPENSE	147,075	456,413	571,280	707,735
INCOME TAX EXPENSE	<u>65,000</u>	<u>66,000</u>	<u>116,000</u>	<u>65,000</u>
NET INCOME	<u>\$ 82,075</u>	<u>\$ 390,413</u>	<u>\$ 455,280</u>	<u>\$ 642,735</u>
NET INCOME PER COMMON SHARE:				
Basic	<u>\$.02</u>	<u>\$.11</u>	<u>\$.13</u>	<u>\$.18</u>
WEIGHTED AVERAGE COMMON SHARES ASSUMED OUTSTANDING:				
Basic	3,625,950	3,635,086	3,625,880	3,628,063

Sales increased by \$542,532 or 27.1% during the second quarter of 2004 from those of the second quarter of 2003. Net sales increased by \$1,100,218 or 27.6% during the six months ended February 29, 2004 compared to the six months ended February 28, 2003. In the first six months of fiscal year 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.

Net earnings from corporate joint ventures and European holding company were \$77,936 and \$509,458 for the three and six months ended February 29, 2004, respectively, compared to \$534,431 and \$833,807 for the three and the six months ended February 28, 2003. This decrease is due to significant increases in expenses incurred in support of corporate joint ventures and decreases in equity in income being offset by increases in the fees for technical 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.

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