

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name		2 Issuer's employer identification number (EIN)	
NORTHERN TECHNOLOGIES INTERNATIONAL CORPORATION		41-0857886	
3 Name of contact for additional information	4 Telephone No. of contact	5 Email address of contact	
MATTHEW C. WOLSFELD	(763) 225-6600	MWOLSFELD@NTIC.COM	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact		7 City, town, or post office, state, and ZIP code of contact	
4201 WOODLAND ROAD, P.O. BOX 69		CIRCLE PINES, MN 55014	
8 Date of action		9 Classification and description	
JUNE 3, 2019		COMMON STOCK	
10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)
665809109		NTIC	

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ NORTHERN TECHNOLOGIES INTERNATIONAL CORPORATION ("NTIC") EFFECTED A 2-FOR-1 STOCK SPLIT OF ALL SHARES OF ITS COMMON STOCK ON JUNE 28, 2019. THE 2-FOR-1 STOCK SPLIT WAS COMPLETED IN THE FORM OF A STOCK DIVIDEND OF ONE SHARE OF NTIC COMMON STOCK FOR EACH SHARE OF NTIC COMMON STOCK OUTSTANDING. THE STOCK DIVIDEND WAS DISTRIBUTED ON JUNE 28, 2019 TO SHAREHOLDERS OF RECORD ON JUNE 17, 2019.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ NTIC'S SHAREHOLDERS WILL BE REQUIRED TO ALLOCATE THE AGGREGATE TAX BASIS IN THEIR SHARES OF NTIC COMMON STOCK HELD IMMEDIATELY PRIOR TO THE 2-FOR-1 STOCK SPLIT AMONG THE SHARES OF NTIC COMMON STOCK HELD IMMEDIATELY AFTER THE STOCK SPLIT. IN GENERAL, A SHAREHOLDER'S AGGREGATE TAX BASIS IN ITS SHARES OF NTIC COMMON STOCK HELD IMMEDIATELY PRIOR TO THE STOCK SPLIT SHOULD BE ALLOCATED IN PROPORTION TO THE INCREASED NUMBER OF SHARES OF NTIC COMMON STOCK UNDER IRC SECTION 358.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ IN GENERAL, THE BASIS IN EACH SHARE OF NTIC COMMON STOCK HELD BY EACH SHAREHOLDER WILL BE REDUCED BY 50% AS A RESULT OF THE 2-FOR-1 STOCK SPLIT AND ALLOCATION OF AGGREGATE TAX BASIS IMMEDIATELY PRIOR TO THE 2-FOR-1 STOCK SPLIT TO THE INCREASED NUMBER OF SHARES HELD IMMEDIATELY AFTER THE 2-FOR-1 STOCK SPLIT. EACH SHAREHOLDER SHOULD CONSULT SUCH SHAREHOLDER'S TAX ADVISOR WITH RESPECT TO THE TAX CONSEQUENCES OF THE 2-FOR-1 STOCK SPLIT TO SUCH SHAREHOLDER.

Part II Organizational Action (continued)


17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ► IRC SECTION 305 (a)
AND IRC SECTION 307 (a)

18 Can any resulting loss be recognized? ► SHAREHOLDERS GENERALLY WILL NOT RECOGNIZE GAIN OR LOSS AS A
RESULT OF THE 2-FOR-1 STOCK SPLIT COMPLETED IN THE FORM OF A STOCK DIVIDEND.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ► THE REPORTABLE YEAR IS THE
CALENDAR YEAR ENDING DECEMBER 31, 2019.

THE INFORMATION SET FOR IN THIS FORM 8937 DOES NOT CONSTITUTE TAX ADVICE, DOES NOT TAKE INTO ACCOUNT
ANY SHAREHOLDER'S SPECIFIC FACTS AND CIRCUMSTANCES, AND DOES NOT PURPORT TO BE A COMPLETE SUMMARY
SUMMARY OF THE TAX CONSEQUENCES OF THE 2-FOR 1 STOCK SPLIT TO A SHAREHOLDER. EACH SHAREHOLDER SHOULD
CONSULT SUCH SHAREHOLDER'S TAX ADVISOR WITH RESPECT TO THE TAX CONSEQUENCES OF THE 2-FOR-1 STOCK
SPLIT TO SUCH SHAREHOLDER.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here
Signature ►  Date ► 6/3/19

Print your name ► MATTHEW C. WOLSFELD Title ► CHIEF FINANCIAL OFFICER

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ►			Firm's EIN ►	
	Firm's address ►			Phone no.	