

**UNITED STATES  
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): November 13, 2006**

**NORTHERN TECHNOLOGIES INTERNATIONAL  
CORPORATION**

**(Exact name of registrant as specified in its charter)**

**Delaware**  
**(State or Other Jurisdiction  
of Incorporation)**

**001-11038**  
**(Commission  
File Number)**

**41-0857886**  
**(I.R.S. Employer  
Identification Number)**

**4201 Woodland Road**  
**P.O. Box 69**  
**Circle Pines, Minnesota**  
**(Address of Principal Executive Offices)**

**55014**  
**(Zip Code)**

**(651) 784-1250**  
**(Registrant's Telephone Number, Including Area Code)**

**N/A**  
**(Former Name or Former Address, If Changed Since Last Report)**

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))

## Section 2 – Financial Information

### Item 2.02. Results of Operations and Financial Condition.

On November 15, 2006, Northern Technologies International Corporation (“NTIC”) publicly announced its results of operations for the fiscal year ended August 31, 2006. For further information, please refer to the press release attached hereto as Exhibit 99.1, which is incorporated by reference herein.

The information contained in this Item 2.02 and Exhibit 99.1 hereto shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liability of that section, and shall not be incorporated by reference into any filings made by NTIC under the Securities Act of 1933, as amended, or the Exchange Act, except as may be expressly set forth by specific reference in such filing.

### Item 2.06. Material Impairments

On November 15, 2006, Audit Committee of the Board of Directors of NTIC and management discussed, among other things, the status of a certain note receivable with a principal amount of \$571,000. The entire principal amount of the note, together with all accrued interest, is due and payable on January 1, 2007. The repayment of the note is secured by certain shares of common stock of owned by the individual that issued the note. After taking into account the financial situation of the individual that issued the note and the company whose securities secure the note, and based on its conversation with management, the Audit Committee determined that NTIC would establish a reserve for the entire amount due NTIC under the note in connection with its audited consolidated financial statements for the fiscal year 2006. Establishing this reserve resulted in a non-cash expense in the fourth quarter of fiscal year 2006 of \$571,000. The effect of this expense is reflected in NTIC’s results of operations for the fiscal year ended August 31, 2006 that were publicly announced on November 15, 2006.

## Section 5 – Corporate Governance and Management

### Item 5.02. Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers

(b) On November 13, 2006, Dr. Vera Kallmeyer, informed the Board of Directors of NTIC that she will not stand for re-election as a director at NTIC’s next annual meeting of stockholders. Dr. Kallmeyer will continue as a director until the next annual meeting of stockholders of NTIC. Dr. Kallmeyer cited her need to spend more time in Europe as her reason for not standing for re-election.

On November 16, 2006, Jean-Guy Coulombe informed the Board of Directors of NTIC that he will not stand for re-election as a director at NTIC’s next annual meeting of stockholders. Mr. Coulombe will continue as a director until the next annual meeting of stockholders of NTIC. Mr. Coulombe cited his need to dedicate more time to his full time position as President of Metso Minerals Company as his reason for not standing for re-election.

## Section 9 – Financial Statements and Exhibits

### Item 9.01 Financial Statements and Exhibits

(c) Exhibits. The following exhibit is filed or furnished herewith:

Exhibit No.	Description
99.1	Press Release issued November 15, 2006 (furnished herewith)

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**NORTHERN TECHNOLOGIES  
INTERNATIONAL CORPORATION**



By:

---

Matthew C. Wolsfeld  
*Chief Financial Officer*

Dated: November 16, 2006

NORTHERN TECHNOLOGIES INTERNATIONAL CORPORATION

FORM 8-K

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>	<u>Method of Filing</u>
99.1	Press Release issued November 15, 2006	Furnished herewith

## FOR IMMEDIATE RELEASE

**NORTHERN TECHNOLOGIES INTERNATIONAL CORPORATION  
ANNOUNCES FISCAL YEAR 2006 NET SALES AND EARNINGS**

LINO LAKES, Minnesota, November 15, 2006 - Northern Technologies International Corporation (AMEX: NTI) announced today its operating results for fiscal year 2006.

The Company's net sales increased 12.1% during fiscal 2006, as compared to fiscal 2005 primarily as a result of the increase in demand of Zerust<sup>®</sup> products and of React-NTI products to new and existing customers in North America. Net sales of Zerust<sup>®</sup> products increased \$1,501,881 to \$12,099,187 and net sales of React-NTI products increased \$286,411 to \$4,505,777 during fiscal 2006 as compared to fiscal 2005.

Total net sales of all of NTIC's joint ventures increased 11.9% to \$63,959,090 during fiscal 2006 as compared to \$57,167,054 during fiscal 2005.

The Company's net income for fiscal year 2006 increased \$0.14 per share or 44% to \$0.48 per share for fiscal 2006 compared to \$0.33 per share for fiscal 2005. The net income of \$0.48 per share reflects a non-cash charge of \$571,000 that the Company took during the fourth quarter to establish a reserve for amounts due it under a certain note receivable.

NTIC's working capital was \$2,221,334 at August 31, 2006, including \$299,117 in cash and cash equivalents.

**NORTHERN TECHNOLOGIES INTERNATIONAL CORPORATION AND SUBSIDIARY**

	2006	2005
<b>NORTH AMERICAN OPERATIONS:</b>		
Net sales	\$ 16,604,964	\$ 14,816,672
Cost of sales	10,346,437	8,967,155
Gross profit	6,258,527	5,849,517
Operating expenses:	6,166,942	5,839,069
<b>NORTH AMERICAN OPERATING INCOME</b>	<b>91,585</b>	<b>10,448</b>
<b>INCOME FROM ALL CORPORATE JOINT VENTURES AND HOLDING COMPANIES</b>	<b>1,926,463</b>	<b>1,128,315</b>
<b>INTEREST INCOME</b>	<b>34,251</b>	<b>96,282</b>
<b>INTEREST EXPENSE</b>	<b>(94,751)</b>	<b>(36,090)</b>
<b>OTHER INCOME</b>	<b>3,233</b>	<b>—</b>
<b>MINORITY INTEREST</b>	<b>12,284</b>	<b>10,326</b>
<b>INCOME BEFORE INCOME TAX EXPENSE</b>	<b>1,973,065</b>	<b>1,209,281</b>
<b>INCOME TAX EXPENSE</b>	<b>254,000</b>	<b>16,000</b>
<b>NET INCOME</b>	<b>\$ 1,719,065</b>	<b>\$ 1,193,281</b>
<b>NET INCOME PER COMMON SHARE:</b>		
Basic	\$ 0.48	\$ 0.33
<b>WEIGHTED AVERAGE COMMON SHARES ASSUMED OUTSTANDING:</b>		
Basic	3,603,340	3,584,085

Quarterly Information is as follows

	Quarter Ended			
	November 30	February 28	May 31	August 31
<b>Fiscal year 2006:</b>				
Net sales	\$ 4,403,630	\$ 3,775,693	\$ 4,320,371	\$ 4,105,270
Gross profit	1,674,519	1,460,448	1,561,011	1,562,549
Income before income taxes	905,985	235,730	687,963	143,387
Income taxes	272,000	31,000	(30,000)	(19,000)
Net income	633,985	204,730	717,963	162,387
<b>Net income per share:</b>				
Basic	\$ 0.18	\$ 0.06	\$ 0.20	\$ 0.04

Composite financial information from the audited and unaudited financial statements of NTIC's worldwide joint ventures carried on the equity basis is summarized as follows:

	August 31, 2006	August 31, 2005
Current assets	\$ 33,954,156	\$ 22,949,103
Total assets	39,030,247	30,345,208
Current liabilities	14,323,903	11,263,369
Noncurrent liabilities	1,496,557	2,273,927
Joint ventures' equity	23,209,788	16,806,617
Northern Technologies International Corporation's share of Corporate Joint Ventures' equity	\$ 10,772,102	\$ 8,622,361
	August 31, 2006	August 31, 2005
Net sales	\$ 63,959,090	\$ 57,167,054
Gross profit	29,204,129	26,503,607
Net income	5,209,499	3,714,290
Northern Technologies International Corporation's share of equity in income of Corporate Joint Ventures	\$ 2,713,096	\$ 1,968,777

**About Northern Technologies International Corporation**

The Company focuses on developing, marketing and selling proprietary environmentally responsible materials science based products and technical services in over 50 countries worldwide via a network of joint ventures. In fiscal 2006, the Company's primary revenues derived from the sales of ZERUST® rust and corrosion inhibiting packaging products and services to the automotive, electronics, electrical, mechanical, military and retail consumer markets. During this same period, the Company also received revenues from sales of proprietary new technologies including anti-abrasion ink additives, as well as bio-based sintered metal mold release agents, bio-solvents, bio-emollients, bio-cleaners, bio-lubricants and fully bio-degradable plastic packaging. In a concerted effort to extend the Company's proprietary technologies, the Company engages in extensive scientific research and development programs in the areas of material science and corrosion protection.

For more information, please contact Matthew Wolsfeld, CFO, Northern Technologies International Corporation, (651) 784-1250