

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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): July 28, 2005

NN, INC.
(Exact Name of Registrant as Specified in Charter)

Delaware	0-23486	62-1096725
----- (State or Other Jurisdiction of Incorporation or Organization)	----- (Commission File Number)	----- (I.R.S. Employer Identification Number)

2000 Waters Edge Drive, Johnson City, Tennessee 37604

(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code: (423) 743-9151

Not Applicable

(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 (see General Instruction A.2. below):

- 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 2.02. Results of Operations and Financial Condition

Furnished as Exhibit 99.1 is a copy of the earnings release of NN, Inc. reporting results for the second quarter of 2005, which was issued on July 28, 2005.

Item 9.01. Financial Statements and Exhibits

(c) Exhibits.

The following exhibit is furnished pursuant to Item 2.02, is not considered "filed" under the Securities Exchange Act of 1934, as amended, and shall not be incorporated by reference into any of the previous or future filings of NN, Inc. under the Securities Act of 1933, as amended, or the Exchange Act:

Exhibits:

Exhibit Number	Description of Exhibit
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99.1	Press Release of NN, Inc. dated July 28, 2005

Signatures

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.

NN, Inc.

Dated: July 28, 2005

By: /s/ William C. Kelly, Jr.

William C. Kelly, Jr.
Secretary, Treasurer and
Chief Administrative Officer

FINANCIAL
RELATIONS BOARD

RE: NN, Inc.
2000 Waters Edge Drive
Johnson City, TN 37604

FOR FURTHER INFORMATION:

AT THE COMPANY

AT FINANCIAL RELATIONS BOARD

Will Kelly
Vice President and Chief Administrative Officer
(423) 743-9151

Marilynn Meek Susan Garland
(General info) (Analyst info)
212-827-3773 212-827-3775

FOR IMMEDIATE RELEASE
July 28, 2005

NN, INC. REPORTS SECOND QUARTER 2005 RESULTS
Revenues Up 12%, Earnings Per Share Up 75%

Johnson City, Tenn, July 28, 2005 - NN, Inc. (Nasdaq: NNBR) today reported its financial results for the second quarter ended June 30, 2005. Net sales for the second quarter of 2005 rose 11.8% to \$84.2 million from \$75.3 million for the same period of 2004. Net income for the second quarter of 2005 totaled \$3.6 million, or \$0.21 per diluted share, compared to \$2.0 million, or \$0.12 per diluted share for the second quarter of 2004, an increase of 80.0% and 75.0% respectively.

Net sales for the first half of 2005 were \$170.9 million, up 11.8%, compared to \$152.9 million for the same period of 2004. Net income for the first half of 2005 totaled \$7.6 million, or \$0.44 per diluted share, compared to \$5.2 million, or \$0.30 per diluted share for the same period of 2004, an increase of 46.2% and 46.7% respectively.

James H. Dorton, Vice President and Chief Financial Officer, commented, "Of the total revenue increase of \$18.0 million in the first half of 2005 as compared to the same period in 2004, volume improvements and new program share gains accounted for \$7.8 million, the impact of currency translation accounted for \$5.1 million and price increases associated with raw material pass through accounted for the remaining \$5.1 million. Our 2005 second quarter revenues reflect slightly improving demand in both the North American and European automotive sectors and continuing year-to-date strong industrial demand in both markets.

"As a percentage of net sales, 2005 second quarter cost of products sold was 78.4%. These margins, though essentially flat with the second quarter of 2004 level of 78.3%, were negatively impacted by increased resin prices at our Industrial Molding facility. Year-to-date cost of products sold was 78.2% which continued to show improvement

over 2004 full year margins of 79.1%. This improvement was a direct result of the cost reduction efforts generated by our Level 3 initiative.

"Selling, general and administrative expenses of \$7.3 million, or 8.7% of net sales for the second quarter of 2005 decreased \$744,000 from \$8.0 million, or 10.6% of net sales for the second quarter of 2004. The decrease was primarily due to lower Sarbanes-Oxley compliance costs as compared to the prior year. Selling, general and administrative expenses for the first half of 2005 remained on plan at 8.7% of net sales as compared to 9.9% of net sales for the same period in 2004.

Mr. Dorton concluded, "Debt minus cash remained relatively unchanged from the beginning of the year. Although traditionally our working capital needs are higher for the first half of the year, we are currently running behind our previously announced debt reduction goal of \$12.0 million to \$13.0 million for the full year of 2005. We remain committed to this goal and will take measures in the second half of the year to aggressively manage our working capital needs and reassess our capital expenditure plans."

Roderick R. Baty, Chairman and Chief Executive Officer, commented, "We continue to be pleased with the start-up investments we have made in Slovakia and China, as well as certain strategic initiatives which have positioned the Company well for improving financial performance for the remainder of 2005 and beyond.

Mr. Baty concluded, "In total, our operations are performing at levels established in our original business plan. We anticipate the strong overall levels of demand we experienced during the first half of the year to continue into the third and fourth quarters. As a result, our capacity utilization rates

should remain high for the remainder of the year. We still face concerns regarding the volatility of steel inflation in the U.S. We will continue to experience significant steel raw material inflation in the domestic market during the last six months of the year. In Europe, there is a downward trend for scrap surcharge pricing levels and we expect this trend to continue through the remainder of 2005. In addition to the steel inflation, we have experienced higher resin costs at our Industrial Molding operation due to historically high oil prices. Our 2005 earnings projections include provisions for a continuing pass through of both steel and plastic resin inflation in the form of higher selling prices to our customers.

"Finally, currency remains an open issue with respect to our previously provided guidance for both revenue and earnings in 2005. If the U.S. Dollar-Euro exchange rate for the remainder of the year remains at the level in place at the end of the second quarter, we would anticipate currency translation to negatively affect both revenue and earnings. Our revenue estimate for the full year would be adjusted downward by approximately \$9.0 million to \$328.0 million. Our anticipated full year earnings would be impacted by approximately \$0.04 per diluted share and result in revised full year guidance of \$0.86 to \$0.90 per diluted share."

NN, Inc. manufactures and supplies high precision bearing components consisting of balls, rollers, seals, and retainers for leading bearing manufacturers on a global basis. In addition, the company manufactures a variety of other plastic components. NN, Inc. had sales of US \$304 million in 2004.

Except for specific historical information, many of the matters discussed in this press release may express or imply projections of revenues or expenditures, statements of plans and objectives or future operations or statements of future economic performance. These, and similar statements are forward-looking statements concerning matters that involve risks, uncertainties and other factors which may cause the actual performance of NN, Inc. and its subsidiaries to differ materially from those expressed or implied by this discussion. All forward-looking information is provided by the Company pursuant to the safe harbor established under the Private Securities Litigation Reform Act of 1995 and should be evaluated in the context of these factors. Forward-looking statements generally can be identified by the use of forward-looking terminology such as "assumptions", "target", "guidance", "outlook", "plans", "projection", "may", "will", "would", "expect", "intend", "estimate", "anticipate", "believe", "potential" or "continue" (or the negative or other derivatives of each of these terms) or similar terminology. Factors which could materially affect actual results include, but are not limited to: general economic conditions and economic conditions in the industrial sector, inventory levels, regulatory compliance costs and the Company's ability to manage these costs, start-up costs for new operations, debt reduction, competitive influences, risks that current customers will commence or increase captive production, risks of capacity underutilization, quality issues, availability and price of raw materials, currency and other risks associated with international trade, the Company's dependence on certain major customers, and other risk factors and cautionary statements listed from time to time in the Company's periodic reports filed with the Securities and Exchange Commission, including, but not limited to, the Company's Annual Report on 10-K for the fiscal year ended December 31, 2004.

Financial Tables Follow

NN, Inc.
Consolidated Statements of Income
(In thousands, except per share amounts)
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2005	2004	2005	2004
Net sales	\$84,166	\$75,265	\$ 170,881	\$ 152,897
Cost of products sold (exclusive of depreciation shown separately below)	66,005	58,937	133,670	119,326
Selling, general and administrative	7,297	8,041	14,782	15,184
Depreciation and amortization	4,130	3,969	8,303	7,918
Loss on disposal of assets	2	-	6	-
Income from operations	6,732	4,318	14,120	10,469
Interest expense, net	1,025	932	2,008	1,824
Other (income) expense, net	(168)	25	(340)	(31)
Income before provision for income taxes	5,875	3,361	12,452	8,676
Provision for income taxes	2,320	1,375	4,872	3,472
Net income	\$ 3,555	\$ 1,986	\$ 7,580	\$ 5,204
Diluted income per common share	\$ 0.21	\$ 0.12	\$ 0.44	\$ 0.30
Weighted average diluted shares	17,328	17,177	17,252	17,176

NN, Inc.
Condensed Balance Sheets
(In thousands)
(Unaudited)

	June 30, 2005	December 31, 2004
	-----	-----
Assets		
Current Assets:		
Cash	\$ 8,038	\$ 10,772
Accounts receivable, net	56,933	51,597
Inventories, net	33,161	35,629
Other current assets	12,020	10,340
	-----	-----
Total current assets	110,152	108,338
Property, plant and equipment, net	115,214	131,169
Goodwill, net	42,044	44,457
Other assets	5,840	5,905
	-----	-----
Total assets	\$ 273,250	\$ 289,869
	=====	=====
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$ 38,869	\$ 45,217
Accrued salaries and wages	13,944	16,332
Current portion of long-term debt	7,255	7,160
Other liabilities	6,656	5,722
	-----	-----
Total current liabilities	66,724	74,431
Deferred income taxes	16,760	17,857
Long-term notes payable	64,669	67,510
Other	13,009	14,931
	-----	-----
Total liabilities	161,162	174,729
Total stockholders' equity	112,088	115,140
Total liabilities and stockholders' equity	\$ 273,250	\$ 289,869
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