UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

# FORM 10-Q

/X/ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended MARCH 31, 1999

OR

/ / TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _________ to _________

Commission File Number 0-23486

NN BALL & ROLLER, INC.
(Exact name of registrant as specified in its charter)

| | |
|---|---|
| DELAWARE | 62-1096725 |
| (State or other jurisdiction of incorporation or organization) | (I.R.S. Employer Identification Number) |

800 TENNESSEE ROAD
ERWIN, TENNESSEE 37650
(Address of principal executive offices, including zip code)

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

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No ___

As of May 7, 1999 there were 14,804,271 shares of the registrant's common stock, par value $0.01 per share, outstanding.

NN BALL & ROLLER, INC.

INDEX

PART I. FINANCIAL INFORMATION

NN BALL & ROLLER, INC.
CONDENSED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME
(UNAUDITED)

| THOUSANDS OF DOLLARS, EXCEPT SHARE AND PER SHARE DATA | THREE MONTHS ENDED MARCH 31, 1999 | 1998 |
|---|---|---|
| Net sales | $ 17,912 | $ 20,886 |
| Cost of goods sold | 12,523 | 14,177 |
| Gross profit | 5,389 | 6,709 |
| Selling, general and administrative | 1,218 | 1,304 |
| Depreciation | 1,244 | 1,159 |
| Income from operations | 2,927 | 4,246 |
| Interest expense | 1 | 15 |
| Income before provision for income taxes | 2,926 | 4,231 |
| Provision for income taxes | 964 | 1,564 |
| Net income | $ 1,962 | $ 2,667 |
| Other comprehensive income: | | |
| Foreign currency translation adjustments | (861) | (261) |
| Comprehensive income | $ 1,101 | $ 2,406 |
| Net income per common share | $ 0.13 | $ 0.18 |
| Weighted average number of shares outstanding | 14,804,244 | 14,804,244 |

SEE ACCOMPANYING NOTES.

NN BALL & ROLLER, INC.
CONDENSED BALANCE SHEETS

| THOUSANDS OF DOLLARS | MARCH 31, 1999 (UNAUDITED) | DECEMBER 31, 1998 |
|---|---|---|
| ASSETS | | |
| Current assets: | | |
| Cash | $ 3,515 | $ 1,430 |
| Accounts receivable, net | 13,305 | 11,643 |
| Inventories, net (Note 2) | 13,015 | 14,425 |
| Other current assets | 1,328 | 1,073 |
| Total current assets | 31,163 | 28,571 |
| Property, plant and equipment, net | 37,020 | 38,289 |
| Total assets | $68,183 | $66,860 |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| Current liabilities: | | |
| Accounts payable | $ 4,316 | $ 4,451 |
| Accrued vacation payable | 532 | 431 |
| Accrued bonuses payable | 393 | -- |
| Deferred income | 752 | 828 |
| Income taxes payable | 1,663 | 786 |
| Other current liabilities | 1,388 | 1,142 |
| Total current liabilities | 9,044 | 7,638 |
| Deferred income taxes | 2,980 | 2,980 |
| Total liabilities | 12,024 | 10,618 |
| Total stockholders' equity | 56,159 | 56,242 |
| Total liabilities and stockholders' equity | $68,183 | $66,860 |

SEE ACCOMPANYING NOTES.

NN BALL & ROLLER, INC.
CONDENSED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(UNAUDITED)

| THOUSANDS OF DOLLARS | COMMON STOCK NUMBER OF SHARES | COMMON STOCK PAR VALUE | ADDITIONAL PAID IN CAPITAL | RETAINED EARNINGS (DEFICIT) | ACCUMULATED OTHER COMPREHENSIVE INCOME | TOTAL |
|---|---|---|---|---|---|---|
| Balance, January 1, 1998 | 14,804 | $ 149 | $ 27,902 | $ 25,387 | $ (467) | $ 52,971 |
| Net income | 0 | 0 | 0 | 2,667 | 0 | 2,667 |
| Dividends | 0 | 0 | 0 | (1,186) | 0 | (1,186) |
| Other comprehensive income | 0 | 0 | 0 | 0 | (261) | (261) |
| Balance, March 31, 1998 | 14,804 | $ 149 | $ 27,902 | $ 26,868 | $ (728) | $ 54,191 |
| Balance, January 1, 1999 | 14,804 | $ 149 | $ 27,902 | $ 28,306 | $ (115) | $ 56,242 |
| Net income | 0 | 0 | 0 | 1,962 | 0 | 1,962 |
| Dividends | 0 | 0 | 0 | (1,184) | 0 | (1,184) |
| Other comprehensive income | 0 | 0 | 0 | 0 | (861) | (861) |
| Balance, March 31, 1999 | 14,804 | $ 149 | $ 27,902 | $ 29,084 | $ (976) | $ 56,159 |

SEE ACCOMPANYING NOTES.

NN BALL & ROLLER, INC.
CONDENSED STATEMENTS OF CASH FLOWS
(UNAUDITED)

| THOUSANDS OF DOLLARS | THREE MONTHS ENDED MARCH 31, 1999 | 1998 |
|---|---|---|
| OPERATING ACTIVITIES: | | |
| Net income | $ 1,962 | $ 2,667 |
| Adjustments to reconcile net income: | | |
| Depreciation | 1,244 | 1,159 |
| Changes in operating assets and liabilities: | | |
| Accounts receivable | (1,662) | (4,140) |
| Inventories | 1,410 | (324) |
| Other current assets | (255) | 432 |
| Accounts payable | (135) | 1,352 |
| Income taxes payable | 877 | 1,018 |
| Other liabilities | 664 | 1,024 |
| Net cash provided by operations | 4,105 | 3,188 |
| INVESTING ACTIVITIES: | | |
| Acquisition of property, plant and equipment | (40) | (941) |
| Proceeds from disposals of property, plant and equipment | 65 | -- |
| Net cash provided (used) by investing activities | 25 | (941) |
| FINANCING ACTIVITIES: | | |
| Net payments under revolving line of credit | -- | (970) |
| Foreign Currency Translation | (861) | (261) |
| Dividends | (1,184) | (1,186) |
| Net cash used by financing activities | (2,045) | (2,417) |
| NET CHANGE IN CASH AND CASH EQUIVALENTS | 2,085 | (170) |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD | 1,430 | 366 |
| CASH AND CASH EQUIVALENTS AT PERIOD-END | $ 3,515 | $ 196 |

SEE ACCOMPANYING NOTES.

NN BALL & ROLLER, INC.
NOTES TO CONDENSED FINANCIAL STATEMENTS

## NOTE 1. INTERIM FINANCIAL STATEMENTS

The accompanying condensed financial statements of NN Ball & Roller, Inc. have not been audited by independent accountants, except for the balance sheet at December 31, 1998. In the opinion of the Company's management, the financial statements reflect all adjustments necessary to present fairly the results of operations for the three-month periods ended March 31, 1999 and 1998, the Company's financial position at March 31, 1999 and December 31, 1998, and the cash flows for the three-month periods ended March 31, 1999 and 1998. These adjustments are of a normal recurring nature and are, in the opinion of management, necessary for fair presentation of the financial position and operating results for the interim periods.

Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted from the interim financial statements presented in this Quarterly Report on Form 10-Q.

The results for the first quarter of 1999 are not necessarily indicative of future results.

## NOTE 2. INVENTORIES

Inventories are stated at the lower of cost or market, with cost being determined by the first-in, first-out method.

Inventories are comprised of the following (in thousands):

| | MARCH 31, 1999 (UNAUDITED) | DECEMBER 31, 1998 |
|---|---|---|
| Raw materials | $ 3,151 | $ 3,611 |
| Work in process | 2,242 | 2,850 |
| Finished goods | 7,682 | 8,024 |
| | 13,075 | 14,485 |
| Less - Reserve for excess and obsolete inventory | 60 | 60 |
| | $13,015 | $14,425 |

NOTE 3. NET INCOME PER SHARE

| THOUSANDS OF DOLLARS, EXCEPT SHARE AND PER SHARE DATA | THREE MONTHS ENDED MARCH 31, 1999 | 1998 |
|---|---|---|
| Net income | $ 1,962 | $ 2,667 |
| Adjustments to net income | -- | -- |
| Net income | $ 1,962 | $ 2,667 |
| Basic shares outstanding | 14,804,244 | 14,804,244 |
| Effect of dilutive stock options | -- | -- |
| Dilutive shares outstanding | 14,804,244 | 14,804,244 |
| Basic net income per share | $ 0.13 | $ 0.18 |
| Diluted net income per share | $ 0.13 | $ 0.18 |

Excluded from the shares outstanding at March 31, 1999 were 501,625 of antidilutive options to purchase common shares at an exercise price of $6.38 to $15.50. Excluded from shares outstanding at March 31, 1998 were 426,500 antidilutive options to purchase common shares at an exercise price of $11.92 to $15.50.

NOTE 4. SEGMENT INFORMATION

The Company's reportable segments represent geographic business units that offer similar products. They are managed seperately due to logistics and differences in business cultures. The Company's United States operations are distributed among two manufacturing facilities in Tennessee and one manufacturing facility in South Carolina. All of these facilities are engaged in the production of precision balls and rollers used primarily in the bearing industry. The Company's European operations are centralized in one manufacturing facility located in Kilkenny, Ireland. The facility is also engaged in the production of precision balls used primarily in the bearing industry.

The accounting policies of the segments do not differ from those of the consolidated entity. The Company evaluates segment performance based on profit or loss from operations before income taxes not including non-recurring gains or losses. The Company accounts for intersegment sales and transfers at current market prices; however, the Company did not have any material intersegment transactions in the 1999 or 1998 first quarters.

| | THREE MONTHS ENDED MARCH 31, | | | |
|---|---|---|---|---|
| | 1999 | | 1998 | |
| THOUSANDS OF DOLLARS | U.S. | EUROPE | U.S. | EUROPE |
| Revenues from external customers | $15,613 | $ 2,299 | $19,852 | $ 1,034 |
| Segment profit/(loss) | 2,584 | 342 | 4,351 | (120) |
| Segment assets | 55,243 | 12,940 | 58,770 | 8,147 |

Segment assets for U.S. and Europe at December 31, 1998 were $53.5 million and $13.4 million, respectively.

DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS

RESULTS OF OPERATIONS

NET SALES. Net sales decreased by approximately $3.0 million, or 14.2%, from $20.9 million for the first quarter of 1998 to $17.9 million for the first quarter of 1999. Foreign sales decreased $2.4 million, or 23.8%, from $10.1 million in the first quarter of 1998 to $7.7 million during the first quarter of 1999. The decrease in foreign net sales was due primarily to decreased sales volumes and to a lessor degree decreased selling prices to exisiting customers, largely due to general economic conditions in Asia and South America. Domestic sales decreased $0.6 million, or 4.7%, from $10.8 million in the first quarter of 1998 to $10.2 million in the first quarter of 1999. This decrease was due primarily to decreased volumes to existing customers.

GROSS PROFIT. Gross profit decreased $1.3 million, or 19.7%, from $6.7 million for the first quarter of 1998 to $5.4 million for the first quarter of 1999. As a percentage of net sales, gross profit decreased from 32.1% in the first quarter of 1998 to 30.1% for the same period in 1999. The decrease in gross profit and gross profit as a percentage of sales was due to decreased sales of 14.2% and to decreased levels of production volume and capacity utilization for the first quarter of 1999 as compared to the first quarter of 1998.

SELLING, GENERAL AND ADMINISTRATIVE. Selling, general and administrative expenses decreased $86,000 from $1.3 million for the first quarter of 1998 to $1.2 million in 1999. As a percentage of net sales, selling, general and administrative expenses increased from 6.2% for the first quarter of 1998 to 6.8% for the same period in 1999.

DEPRECIATION. Depreciation expense increased from $1.16 million for the first quarter of 1998 to $1.24 million for the same period in 1999. This increase was due primarily to purchases of capital equipment. As a percentage of net sales, depreciation expense increased from 5.5% for the first quarter of 1998 to 6.9% for the same period in 1999.

INTEREST EXPENSE. Interest expense decreased slightly from $15,000 in the first quarter of 1998 to $1,000 during the same period in 1999.

NET INCOME. Net income decreased from $2.7 million for the first quarter of 1998 to $2.0 million for the same period in 1999. As a percentage of net sales, net income decreased from 12.8% in the first quarter of 1998 to 11.0% for the first quarter of 1999. This decrease in net income as a percentage of net sales was due primarily to decreased gross profits due to capacity utilization and increased depreciation expense as described above .

LIQUIDITY AND CAPITAL RESOURCES

In July 1997, the Company entered into a loan agreement with First American National Bank ("First American") which provides for a revolving credit facility of up to $25 million, expiring on June 30, 2000. Amounts outstanding under the revolving facility are unsecured and bear interest at a floating rate equal to, at the Company's option, either LIBOR plus 0.65% or the Fed Funds effective rate plus 1.5%. The loan agreement contains customary financial and operating restrictions on the Company, including covenants, restricting the Company, without First American's consent, from incurring additional indebtedness from, or pledging any of its assets to, other lenders and from disposing of a substantial portion of its assets. In addition, the Company is prohibited from declaring any dividend if a default exists under the revolving credit facility at the time of, or would occur as a result of, such declaration. The loan agreement also prohibits sales of property outside of the ordinary course of business. The loan agreement also contains customary financial covenants with respect to the Company, including a covenant that the Company's earnings will not decrease in any year by more than fifty percent of earnings in the Company's immediately preceding fiscal year. The Company, as of May 3, 1999 was in compliance with all such covenants.

The Company's arrangements with its domestic customers typically provide that payments are due within 30 days following the date of the Company's shipment of goods, while arrangements with foreign customers (other than foreign customers that have entered into an inventory management program with the Company) generally provide that payments are due within either 90 or 120 days following the date of shipment. Under the Company's inventory management program, payments typically are due within 30 days after the product is used by the customer. The Company's net sales historically have not been of a seasonal nature. However, as foreign sales have increased as a percentage of total sales, seasonality has become a factor for the Company in that many foreign customers cease production during the month of August.

In the fourth quarter of 1997, upon the commencement of production in its Kilkenny, Ireland facility, the Company began to bill and receive payment from some of its foreign customers in their own currency. To date, the Company has not been materially adversely affected by currency fluctuations or foreign exchange restrictions. Nonetheless, as a result of these sales, the Company's foreign exchange risk has increased. Various strategies to manage this risk are under development and implementation, including a hedging program. In addition, a strengthening of the U.S. dollar against foreign currencies could impair the ability of the Company to compete with international competitors for foreign as well as domestic sales.

Working capital, which consists principally of accounts receivable and inventories was $22.1 million at March 31, 1999 as compared to $20.9 million at December 31, 1998. The ratio of current assets to current liabilities decreased from 3.7:1 at December 31, 1998 to 3.4:1 at March 31, 1999. Cash flow from operations increased from $3.2 million during the first quarter 1998 to $4.1 million during the first quarter 1999. This increase was primarily attributed to an increase of $1.7 million in accounts receivable for the first quarter of 1999 as compared to an increase of $4.1million for the first quarter of 1998.

During 1999, the Company plans to spend approximately $3.0 million on capital expenditures (of which approximately $700,000 has been spent through March 31, 1999) including the purchase of additional machinery and equipment for all three of the Company's U.S. facilities as well as the Ireland facility. The Company intends to finance these activities with cash generated from operations and funds available under the credit facility described above. The Company believes that funds generated from operations and borrowings from the credit facility will be sufficient to finance the Company's working capital needs and projected capital expenditure requirements through December 1999.

YEAR 2000

The Year 2000 issue is the result of computer programs written using two digits rather than four digits to identify a particular year. Without corrective action, programs with time-sensitive software could potentially act as if a date ending in "00" is the year 1900 rather than the year 2000. This could cause computer applications to create erroneous results or cause a system failure.

The Company has conducted a comprehensive evaluation of both its information technology systems and non-information technology systems to determine if there would be a Year 2000 problem with these systems. Prior to that evaluation, however, the Company had decided to upgrade its information technology systems. The systems the Company intends to install have been certified by the vendor to be Year 2000 compliant. The Company also evaluated its non-information technology systems and received certification by the manufacturers of that equipment that they are Year 2000 compliant.

The Company expects that it will have implemented these system upgrades by mid-1999. The Company has also developed contingency plans that it believes would permit it to continue operating without causing any material harm to the results of operations.

The Company expects to spend approximately $800,000 to replace its information technology systems and train personnel. As of March 31, 1999, the Company had spent approximately $600,000 on this project. The Company's expenditures for evaluating the Year 2000 issue have not been material. The Company has assigned one employee to coordinate its Year 2000 efforts, and has relied on existing personnel to evaluate its Year 2000 readiness.

The Company relies on third party suppliers for raw materials and a variety of goods and services. Among its most important suppliers are those that provide the steel necessary to make quality balls and rollers. The Company has obtained written representation from approximately 70 percent of its suppliers and vendors and expects to receive responses from its remaining suppliers and vendors by the end of the year. So far, no supplier or vendor has indicated that the Year 2000 issue will affect its ability to provide goods and services to the Company. Despite these assurances, if the Company's suppliers are unable to meet its needs, there could be a material adverse effect on the results of operations, liquidity and financial condition of the Company.

The Company believes it is taking the necessary steps to resolve the Year 2000 issue in a comprehensive and timely manner. Nonetheless, should any unforeseen circumstance arise that would delay the replacement of its systems, the Company's ability to manufacture and ship its products, take orders, invoice customers, and collect payment could be adversely affected. This could have a material adverse effect on the Company's results of operations, liquidity and financial condition to a degree the Company has not determined.

THE EURO

The treaty on European Union provided that an economic and monetary union be established in Europe whereby a single European currency, the euro, was introduced to replace the currencies of participating member states. The euro was introduced on January 1, 1999, at which time the value of participating member state currencies were irrevocably fixed against the euro and the European Currency Unit. For the three year transitional period ending December 31, 2001, the national currencies of member states will continue to circulate but be in subunits of the euro. At the end of the transitional period, euro banknotes and coins will be issued, and the national currencies of the member states will cease to be legal tender no later than June 30, 2002.

The Company currently has operations in Ireland, which is one of the euro participating countries, and sells product to customers in many of the participating countries. The functional currency of the Company's Ireland operations will remain unchanged until December 31, 2001, when it will switch to the euro. The Company is in the process of reviewing and making changes required for euro readiness and does not anticipate the costs associated with the implementation of the euro to be significant.

RECENTLY ISSUED ACCOUNTING STANDARDS

In June 1998, the FASB issued SFAS No. 133 "Accounting for Derivative Instruments and Hedging Activities" which establishes accounting and reporting standards for derivative instruments and hedging activities and is effective for the Company's 2000 reporting cycle. The adoption of this standard by the Company is not expected to result in significant adjustments to existing accounting practices.

Statement of Position ("SOP") 98-1, "Accounting for the Costs of Computer Software Developed or Obtained for Internal Use," was issued by the American Institute if Certified Public Accountants in March 1998 and requires capitalization of certain internal-use computer software costs. The Company has begun to comply with the requirements of this SOP effective for its 1999 financial reporting. The standard has not had a material effect on the Company's results of operations.

CAUTIONARY STATEMENTS FOR PURPOSES OF THE "SAFE HARBOR" PROVISIONS OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

The Company wishes to caution readers that this report contains, and future filings by the Company, press releases and oral statements made by the Company's authorized representatives may contain, forward looking statements that involve certain risks and uncertainties. The Company's actual results could differ materially from those expressed in such forward looking statements due to important factors bearing on the Company's business, many of which already have been discussed in this filing and in the Company's prior filings.

The following paragraphs discuss the risk factors the Company regards as the most significant, although the Company wishes to caution that other factors that are currently not considered significant or that currently cannot be foreseen may in the future prove to be important in affecting the Company's results of operations. The Company undertakes no obligation to publicly update or revise any forward looking statements, whether as a result of new information, future events or otherwise.

INDUSTRY RISKS. The precision ball and roller industry is cyclical and tends to decline in response to overall declines in industrial production. The Company's sales in the past have been negatively affected, and in the future very likely would be negatively affected, by adverse conditions in the industrial production sector of the economy or by adverse global or national economic conditions.

COMPETITION. The precision ball and roller market is highly competitive, and many of the ball and roller manufacturers in the market are larger and have substantially greater resources than the Company. The Company's competitors are continuously exploring and implementing improvements in technology and manufacturing processes in order to improve product quality, and the Company's ability to remain competitive will depend, among other things, on whether it is able, in a cost effective manner, to keep apace with such quality improvements. In addition, the Company competes with many of its customers that, in addition to producing bearings, also internally produce balls and rollers for sale to third parties. The Company also faces a risk that its customers will decide to produce balls and rollers internally rather than outsourcing their needs to the Company.

RAPID GROWTH. The Company has significantly expanded its production facilities and capacity over the last several years. The Company currently is not operating at full capacity and faces risks of further underutilization or inefficient utilization of its production facilities in future years. The Company also faces risks associated with start-up expenses, inefficiencies, delays and increased depreciation costs associated with its plant expansions.

RAW MATERIAL SHORTAGES. Because the balls and rollers manufactured by the Company have highly-specialized applications, their production requires the use of very particular types of steel. Due to quality constraints, the Company obtains the majority of its steel from overseas suppliers. Steel shortages or transportation problems, particularly with respect to 52100 Steel, could have a detrimental effect on the Company's business.

RISKS ASSOCIATED WITH INTERNATIONAL TRADE. Because the Company obtains a majority of its raw materials from overseas suppliers and sells to a large number of international customers, the Company faces risks associated with (i) adverse foreign currency fluctuations, (ii) changes in trade, monetary and fiscal policies, laws and regulations, and other activities of governments, agencies and similar organizations, (iii) the imposition of trade restrictions or prohibitions, (iv) the imposition of import or other changes or taxes, and (v) unstable governments or legal systems in countries in which the Company's suppliers and customers are located.

DEPENDENCE ON MAJOR CUSTOMERS. During 1998, the Company's ten largest customers accounted for approximately 76% of its net sales. Sales to various U.S. and foreign divisions of SKF, which is one of the largest bearing manufacturers in the world, accounted for approximately 37% of net sales in 1998, and sales to FAG accounted for approximately 11% of net sales. The Company currently negotiates and contracts with various purchasing units within SKF and believes that, in certain respects, such units operate independently with respect to purchasing decisions. There can be no assurance, however, that SKF will not centralize purchasing decisions in the future. None of the Company's other customers accounted for more than 10% of its net sales in 1998, but sales to two of its customers each represented more than 5% of the Company's 1998 net sales. the loss of all or a substantial portion of sales to these customers would have a material adverse effect on the Company's business.

## PART II. OTHER INFORMATION

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K.

Exhibit 27 - financial Data Schedules (For Information of SEC Only)

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 thereunto duly authorized.

NN Ball & Roller, Inc.
--------------------------------------
(Registrant)

| | |
|---|---|
| Date: May 7, 1999 | /s/ Roderick R. Baty<br>Roderick R. Baty, President and Chief Executive Officer<br>(Duly Authorized Officer) |
| Date: May 7, 1999 | /s/ David L. Dyckman<br>David L. Dyckman<br>Chief Financial Officer and Vice President<br>(Principal Financial Officer)<br>(Duly Authorized Officer) |
| Date: May 7, 1999 | /s/ William C. Kelly, Jr.<br>William C. Kelly, Jr.,<br>Treasurer, Assistant Secretary and Chief Accounting Officer<br>(Principal Accounting Officer)<br>(Duly Authorized Officer) |

5
0000918541
NN BALL & ROLLER
1,000
U.S. DOLLARS

3-MOS
DEC-31-1999
JAN-01-1999
MAR-31-1999
1
3,515
0
13,305
588
13,015
31,163
63,397
26,377
68,183
9,044
0
0
0
149
68,034
68,183
17,912
17,912
12,523
12,523
2,462
0
1
2,926
964
1,962
0
0
0
1,962
0.13
0.13