
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): March 9, 2010



NN, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation)

0-23486
(Commission File Number)

62-1096725
(IRS Employer Identification No.)

2000 Waters Edge Drive
Johnson City, Tennessee
(Address of principal executive offices)

37604
(Zip Code)

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17CFT 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17CFT 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17CFT 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13c-4(c) under the Exchange Act (17CFT 240.13c-4(c))
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ITEM 1.01

Published as Exhibit 99.1 is NN Inc.'s press release dated March 9, 2010 announcing that it has amended its two credit facilities. The existing facilities were previously amended and restated as of March 13, 2009.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS

The following exhibit is furnished pursuant to Item 1.01, 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.

Exhibit:

Exhibit Number Description of Exhibit

10.1 Amendment No. 2 to Amended and Restated Credit Agreement as of March 5, 2010.

10.2 Second Amendment to Second Amended and Restated Note Purchase Agreement and Shelf Agreement as of March 5, 2010.

99.1 Press Release of NN, Inc. dated March 9, 2010.

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.

Date: March 10, 2010

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

Name : William C. Kelly, Jr.

Title : Vice President and Chief Administrative Officer

AMENDMENT NO. 2 TO AMENDED AND RESTATED CREDIT AGREEMENT

This **AMENDMENT NO. 2 TO AMENDED AND RESTATED CREDIT AGREEMENT** is made as of March 5, 2010 (this "Amendment"), among **NN, INC.**, a Delaware corporation (the "US Borrower"), the **FOREIGN BORROWERS** party hereto (together with the US Borrower, the "Borrowers" and each individually, a "Borrower"), the **LENDERS** party hereto and **KEYBANK NATIONAL ASSOCIATION**, as Agent (as defined below).

WITNESSETH:

WHEREAS, the Borrowers have been extended certain loans and other financial accommodations pursuant to the Amended and Restated Credit Agreement, dated as of March 13, 2009 (as heretofore amended, supplemented or otherwise modified from to time, the "Credit Agreement"), among the Borrowers, the Lenders party thereto and KeyBank National Association, as administrative agent and collateral agent (the "Agent"); and

WHEREAS, the Lenders desire to amend the terms of the Credit Agreement as follows on the terms set forth herein,

NOW THEREFORE, in consideration of the premises contained herein and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Borrowers, the Agent and the Lenders do hereby agree as follows:

SECTION 1. DEFINED TERMS.

Each term used and not otherwise defined herein shall have the meaning ascribed to such term in the Credit Agreement. Unless specifically noted, for purposes of this Amendment, the term "Lender" shall be deemed to include the Swing Line Lender and each Fronting Lender.

SECTION 2. AMENDMENT TO CREDIT AGREEMENT.

2.1 **Amendments to Section 1.1.** Section 1.1 of the Credit Agreement is hereby amended by replacing the definitions "Applicable Margin", "Consolidated EBITDA" and "Maximum Amount" with the following definitions to read in each case as follows:

"Applicable Margin" means (a) four hundred and seventy five (475.00) basis points for LIBOR Fixed Rate Loans, and (b) four hundred twenty five (425.00) basis points for Base Rate Loans.

"Consolidated EBITDA" means, for any period, as determined on a Consolidated basis and after giving Acquisition Pro Forma Effect to any Acquisition made during such period, Consolidated Net Earnings for such period, plus (x) without duplication, the aggregate amounts deducted in determining such Consolidated Net Earnings in respect of: (a) Consolidated Interest Expense, (b) Consolidated Income Tax Expense, (c) Consolidated Depreciation and Amortization Charges, and (d) non-recurring non-cash restructuring charges, minus (y) without duplication, the aggregate amounts included in determining such Consolidated Net Earnings in respect of: (i) extraordinary or unusual non-cash gains not incurred in the ordinary course of business and (ii) foreign exchange gains as reported in Other Income according to GAAP and the positive impact to Consolidated EBITDA resulting from converting Alternate Currency-based income to Dollar-based income at an exchange rate exceeding \$1.46 per €1.00, to the extent such amounts together exceed \$5,000,000 for such period; provided that, for purposes of calculating the Leverage Ratio and the applicable financial covenants set forth in Section 5.7 hereof, Consolidated EBITDA shall be deemed to be (A) negative (\$3,513,000) for the fiscal quarter ended June 30, 2009, (B) negative (\$3,382,000) for the fiscal quarter ended September 30, 2009, and (C) \$3,680,000 for the fiscal quarter ended December 31, 2009.

“Maximum Amount” means, for each Lender, the amount set forth opposite such Lender’s name under the column headed “Maximum Amount” as set forth on Schedule 1 hereto, subject to (x) decreases to reflect from time to time the then applicable Total Commitment Amount, (y) decreases pursuant to Section 2.9(a) hereof, and (z) assignments of interests pursuant to Section 11.10 hereof; provided that the Maximum Amount for the Swing Line Lender shall exclude the Swing Line Commitment (other than its pro rata share), and the Maximum Amount of the Fronting Lender shall exclude the Letter of Credit Commitment (other than its pro rata share).

“Total Commitment Amount” means Eighty Five Million Dollars (\$85,000,000), as such amount may be decreased pursuant to Section 2.9(a) hereof, the Total Commitment Amount in any event reducing in the amount of \$1,000,000 as of the end of each fiscal quarter during the Commitment Period commencing with the fiscal quarter ending December 31, 2010.

2.2 Amendments to Section 1.1. Section 1.1 of the Credit Agreement is hereby amended by adding thereto the definitions “Amendment No. 2”, “Attributable Indebtedness”, and “Minimum Asset Coverage Ratio” to read in each case as follows:

“Amendment No. 2” means that certain Amendment No. 2 to Amended and Restated Credit Agreement, dated as of March 5, 2010.

“Attributable Indebtedness” means, on any date, in respect of any operating lease of a Person, the capitalized amount of the remaining lease payments under such lease that would appear on a balance sheet of such Person prepared as of such date in accordance with GAAP if the obligations under such lease were accounted for as Capitalized Lease Obligations.

“Minimum Asset Coverage Ratio”. means, as of any date of determination, determined on a Consolidated basis, the ratio of: (a) the sum of Consolidated Accounts Receivable (as defined by GAAP) of the US Borrower as of such date, plus Consolidated Inventory (as defined by GAAP) of the US Borrower as of such date to (b) the outstanding Revolving Credit Exposure at such time.

2.3 Amendment to Schedule I. Annex I to the Credit Agreement is hereby deleted in its entirety and new Schedule I attached hereto is hereby substituted therefor.

2.4 **Amendments to Section 5.7.** Section 5.7 of the Credit Agreement is hereby amended: (x) by deleting clauses (a), (b), (c), (e) and (f) thereof each in its entirety (with clause (d) thereof remaining unchanged by this Amendment) and adding new clauses (a), (b), (c), (e) and (f) thereto to read as follows and (y) adding new clause (g) to read as follows:

Section 5.7 **Financial Covenants.**

(a) **Capitalization Ratio.** US Borrower shall not suffer or permit the Capitalization Ratio at any time to exceed: (i) 0.60 to 1.00 on the Restatement Closing Date through June 29, 2010, (ii) 0.61 to 1.00 on June 30, 2010 through September 29, 2010, (iii) 0.62 to 1.00 on September 30, 2010 through March 30, 2011, (iv) 0.61 to 1.00 on March 31, 2011 through June 29, 2011 and (v) 0.60 to 1.00 on June 30, 2011 and thereafter.

(b) **Interest Coverage Ratio.** US Borrower shall not suffer or permit the Interest Coverage Ratio to be less than: (i) 0.42 to 1.00 for the period ending March 31, 2010, (ii) 0.95 to 1.00 for the period ending June 30, 2010, (iii) 1.57 to 1.00 for the period ending September 30, 2010, (iv) 1.71 to 1.00 for the period ending December 31, 2010, (v) 2.23 to 1.00 for the period ending March 31, 2011 and (vi) 2.76 for each period ending June 30, 2011 and thereafter.

(c) **Minimum EBITDA.** US Borrower shall not suffer or permit Consolidated EBITDA, as determined for the most recently completed four fiscal quarters of US Borrower, to be less than:

- (i) \$603,000 for the period ending March 31, 2010;
- (ii) \$7,245,000 for the period ending June 30, 2010;
- (iii) \$15,106,000 for the period ending September 30, 2010;
- (iv) \$17,623,000 for the period ending December 31, 2010
- (v) \$24,904,000 for the period ending March 31, 2011; and
- (vi) \$32,077,000 for the period ending June 30, 2011 and thereafter.

(e) **Leverage Ratio.** US Borrower shall not suffer or permit at any time the Leverage Ratio, as determined for the most recently completed four fiscal quarters of US Borrower, to exceed: (i) 6.50 to 1.00 for the period ending September 30, 2010, (ii) 5.57 to 1.00 for the period ending December 31, 2010, (iii) 3.94 to 1.00 for the period ending March 31, 2011, and (iv) 2.77 to 1.00 for the period ending June 30, 2011. This covenant shall be suspended and shall not apply for the fiscal quarters of US Borrower ending March 31, 2010 and June 30, 2010.

(f) **Capital Expenditures.** The Companies shall not invest in Consolidated Capital Expenditures greater than: (i) \$5,015,000 for the fiscal quarter ending March 31, 2010, (ii) \$8,178,000 on a cumulative basis for the two fiscal quarter period ending June 30, 2010, (iii) \$12,867,000 on a cumulative basis for the three fiscal quarter period ending September 30, 2010, (iv) \$16,705,000 on a cumulative basis for the four fiscal quarter period ending December 31, 2010, (v) \$2,637,000 for the fiscal quarter ending March 31, 2011 and (vi) \$5,274,000 on a cumulative basis for the two fiscal quarter period ending June 30, 2011; provided that, the amount of permitted Consolidated Capital Expenditures for any such fiscal period or cumulative fiscal period shall be reduced by the amount of Attributable Indebtedness of operating leases entered into by the Companies in such fiscal period; provided that, Consolidated Capital Expenditures made with (A) net proceeds from a Material Recovery Event used to replace, rebuild or restore fixed assets in accordance with Section 2.11(c)(ii) hereof, and (B) net proceeds from asset dispositions used to replace such assets in accordance with Section 2.11(c)(i) hereof, shall not be included in calculating Consolidated Capital Expenditures for purposes of this subsection (f).

(g) **Minimum Asset Coverage Ratio:** US Borrower shall not suffer or permit as of the last day of any fiscal quarter the Minimum Asset Coverage Ratio to be less than 1.05 to 1.00.

2.5 **Amendments to Section 5.8.** Section 5.8 of the Credit Agreement is hereby amended by deleting clause (b) thereof in its entirety and adding new clause (b) thereto to read as follows:

(b) any loans granted to or Capitalized Lease Obligations entered into by any Company for the purchase or lease of fixed assets (and refinancings of such loans or Capitalized Lease Obligations), which loans and Capitalized Lease Obligations shall only be secured by the fixed assets being purchased or leased, so long as the aggregate principal amount of all such loans and Capitalized Lease Obligations for all Companies shall not exceed Six Million Dollars (\$6,000,000) at any time outstanding;

2.6 **Amendments to Section 2.11.** Section 2.11(c) of the Credit Agreement is hereby amended by deleting clause (iv) thereof in its entirety and adding new clause (iv) thereto to read as follows:

(iv) **Excess Cash of All Domestic Companies.** If, at any time, the aggregate unencumbered and unrestricted cash on hand of US Borrower and the Domestic Subsidiaries plus Cash Equivalents of the US Borrower and the Domestic Subsidiaries shall exceed Four Million Dollars (\$4,000,000), US Borrower shall, within three Business Days thereof, make a Mandatory Prepayment in an amount equal to such excess (provided that US Borrower need not make such Mandatory Prepayment if the Leverage Ratio for the most recently completed fiscal quarter shall have been less than 2.50 to 1.00).

2.7 **Amendments relating to certain Foreign Borrowers.** The following provisions of the Credit Agreement are hereby amended as related to certain Foreign Borrowers:

(a) **Amendments to Section 1.1.** Section 1.1 of the Credit Agreement is hereby amended by deleting the definition "Company" in its entirety and adding the definition "Company" to read as follows.

"Company" means a Borrower or a Subsidiary of a Borrower (other than Kugelfertigung Eltmann GmbH).

(b) **Amendments to Section 5.** Section 5 of the Credit Agreement is hereby amended by adding Section 5.32 thereto to read as follows.

Section 5.32 Restructure of Foreign Borrowers. Except as listed on Schedule 5.32, the Borrowers agree that the Borrowers will not commence a material restructuring (including any insolvency action with respect thereto) of any Foreign Borrower or any Subsidiary which was formerly a Foreign Borrower (notwithstanding its release as a Foreign Borrower pursuant to Amendment No. 2 or otherwise as contemplated thereby), so long as any Obligations of such Foreign Borrower or such Subsidiary are outstanding and for a period of twelve (12) months following repayment of any such Obligations, unless such action is required under order of any Governmental Authority or Requirement of Law after the Borrowers have taken all steps reasonably available to prevent, object to or stay such action.

SECTION 3. Release of Kugelfertigung Eltmann GmbH as a Foreign Borrower.

Upon the Effective Time of this Amendment, (a) Kugelfertigung Eltmann GmbH shall cease to be a Borrower for all purposes under the Credit Agreement and shall no longer have future Advances or Letters of Credit available to it thereunder, (b) all Liens granted by Kugelfertigung Eltmann GmbH to the Administrative Agent to secure the Obligations shall be deemed discharged and no longer effective and (c) Kugelfertigung Eltmann GmbH shall no longer be liable for any of the Obligations as a Borrower or Borrower Guarantor under the Credit Agreement or any other Loan Document; provided that neither clause (a), (b) or (c) shall apply to any provisions of the Credit Agreement (including, without limitation, indemnification provisions) which, by their terms, specifically survive the termination of the Credit Agreement. Upon the Effective Time of this Amendment, Kugelfertigung Eltmann GmbH is hereby authorized to file any and all releases, instruments and other documents which are necessary to effect the forgoing release and discharge under applicable Requirements of Law. The Lenders and Agent agree to execute any and all additional releases, instruments and other documents necessary to effect the foregoing release and discharge.

SECTION 4. REPRESENTATIONS AND WARRANTIES.

Each Borrower hereby represents and warrants to the Lenders and the Agent as follows:

4.1 **This Amendment.** This Amendment has been duly and validly executed by an authorized officer of such Borrower and constitutes the legal, valid and binding obligation of such Borrower enforceable against such Borrower in accordance with its terms. The Credit Agreement, as amended by this Amendment, remains in full force and effect and remains the valid and binding obligation of such Borrower enforceable against such Borrower in accordance with its terms. The sum of any amendment fee, structuring fee, additional interest and other consideration paid or to be paid by the Borrowers to the Senior Noteholders in connection with the Indenture Amendment (as defined below) does not exceed the sum of the amounts paid or to be paid by the Borrowers (a) pursuant to Sections 4.6 and 4.7 of this Amendment and (b) due to the increase in the Applicable Margin set forth in this Amendment.

4.2 **No Default or Event of Default.** No Default or Event of Default now exists under the Credit Agreement and, upon the effectiveness of this Amendment, no Default or Event of Default will be existing and no Default or Event of Default will occur as a result of the effectiveness of this Amendment.

4.3 **Restatement of Representations and Warranties.** Upon the effectiveness of this Amendment, the representations and warranties of such Borrower contained in the Credit Agreement, as amended by this Amendment, and the Related Writings will be true and correct in all material respects on and as of the date of this Amendment, except for representations and warranties that were given as of a specific earlier date (which remain true and correct as of such earlier date) or representations and warranties which became inaccurate solely as a result of changes permitted under the Credit Agreement.

SECTION 5. CONDITIONS TO EFFECTIVENESS

This Amendment shall become effective as of the time (the Effective Time”) on which each of the following conditions precedent shall have been fulfilled:

5.1 **This Amendment.** The Agent shall have received from each Borrower and requisite Lenders an original counterpart of this Amendment, in each case, executed and delivered by a duly authorized officer of such Borrower or such Lender, as the case may be. For the avoidance of doubt, the execution of this Amendment by the Lenders which are signatories hereto shall constitute authorization by such Lenders to the Agent to execute as Bank Agent (as defined in the Intercreditor Agreement) the First Amendment to Intercreditor (as defined below).

5.2 **Amendment to Amended and Restated Intercreditor Agreement.** The Agent shall have received an original counterpart of the First Amendment to Amended and Restated Intercreditor Agreement, Agreement, dated as of March 5, 2010 (the “First Amendment to Intercreditor”), between the Bank Agent and the Noteholders, duly executed and delivered by the Noteholders and acknowledged by the Borrower Agent on behalf of all of the Borrowers.

5.3 **Guarantor Acknowledgement.** The Agent shall have received from each Guarantor of Payment a counterpart of the Acknowledgement of Guarantors of Payment, attached hereto as Annex I, in each case, executed and delivered by a duly authorized officer of such Guarantor of Payment.

5.4 **Amendment to Senior Notes Indenture.** The Borrowers shall have delivered to the Agent a fully effective amendment to the Senior Notes Indenture, in form and substance satisfactory to the Agent, incorporating in substance the amendments set forth in Section 2 hereof (the “Indenture Amendment”).

5.5 **Amendment Fee.** The Borrowers shall have paid to the Agent for the ratable benefit of the Lenders an amendment fee in the amount of \$225,000.

5.6 **Agent Structuring Fee.** The Borrowers shall have paid to the Agent for its own account an agent structuring fee in the amount of \$50,000.

5.7 **Other Fees and Expenses.** The Borrowers shall have paid all other reasonable outstanding costs, expenses and fees of the Agent and its advisors, service providers and legal counsels incurred in connection with the documentation of this Amendment, in each case, to the extent invoiced.

5.8 **Other Documents.** The Agent shall have received such other documents, instruments or other materials as it shall have reasonably requested.

SECTION 6. MISCELLANEOUS.

6.1 **Governing Law.** This Amendment shall be governed by, and construed and enforced in accordance with, the laws of the State of Ohio.

6.2 **Severability.** Any provision of this Amendment which is prohibited or unenforceable shall be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this Amendment.

6.3 **Counterparts.** This Amendment may be executed in any number of counterparts and by different parties hereto and separate counterparts, each of which when so executed and delivered shall be deemed to be an original, and all of which taken together shall constitute but one and the same instrument.

6.4 **Headings.** Section headings used in this Amendment are for the convenience of reference only and are not a part of this Amendment for any other purpose.

6.5 **Negotiations.** Each Borrower acknowledges and agrees that all of the provisions contained herein were negotiated and agreed to in good faith after discussion with the Agent and the Lenders and reviewed by counsel for such Borrower.

6.6 **Expenses; Agreement With Respect to the Senior Notes Indenture.** The Borrowers shall be responsible for all reasonable costs, expenses and fees of the Agent and its advisors, service providers and legal counsels incurred in connection with the documentation of this Amendment. To the extent the Senior Noteholders are compensated or will be compensated for executing and delivering the Indenture Amendment, whether by fee, increased yield or otherwise, in an aggregate amount in excess of the amount paid or to be paid by the Borrowers (a) pursuant to Sections 4.6 and 4.7 of this Amendment and (b) due to the increase in the Applicable Margin set forth in this Amendment, the Borrowers shall provide the Agent and the Lenders with at least the equivalent economic consideration (it being understood that the forgoing sentence shall in no way be deemed to constitute a consent on the part of the Agent or the Lenders for any such additional compensation to such Persons).

6.7 **Nonwaiver.** The execution, delivery, performance and effectiveness of this Amendment shall not operate as, or be deemed or construed to be, a waiver: (i) of any right, power or remedy of the Lenders or the Agent under the Credit Agreement (as amended by this Amendment) or any Related Writing, or (ii) any term, provision, representation, warranty or covenant contained in the Credit Agreement (as amended by this Amendment) or any Related Writing. None of the provisions of this Amendment shall constitute, be deemed to be or construed as, a waiver of any Default or Event of Default under the Credit Agreement (as amended by this Amendment).

6.8 **Reaffirmation.** Each Borrower hereby (i) ratifies and reaffirms all of its payment and performance obligations, contingent or otherwise, under the Credit Agreement (as amended by this Amendment) and Related Writing to which it is a party (including, without limitation, any Guaranty of Payment) and (ii) ratifies and reaffirms its grant of security interests and Liens under such documents and confirms and agrees that such security interests and Liens hereafter secure all of the Obligations.

6.9 **Loan Document.** This Amendment is a Loan Document.

[Signatures Follow on Next Page]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed by their respective officers or agents thereunto duly authorized as of the date first written above.

BORROWERS:

NN, INC.

By: /s/ James H. Dorton

Name: James H. Dorton

Title: Vice President and CFO

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

Name: William C. Kelly, Jr.

Title: Director

NN NETHERLANDS B.V.

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

Name: William C. Kelly, Jr.

Title: Director

KUGELFERTIGUNG ELTMANN GMBH

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

Name: William C. Kelly, Jr.

Title: Director

NN EUROBALL IRELAND LIMITED

By: /s/ James H. Dorton

Name: James H. Dorton

Title: Director

NN SLOVAKIA, S.R.O.

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

Name: William C. Kelly, Jr.

Title: Director

NN EUROPE S.P.A.

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

Name: William C. Kelly, Jr.

Title: Director

**KEYBANK NATIONAL ASSOCIATION, as Lender
and as Agent**

By: /s/ David A. Wild

Name: David A. Wild

Title: Vice President

REGIONS BANK, as Lender

By: /s/ Jonathan C. Tutor

Name: Jonathan C. Tutor

Title: Senior Vice President

**BRANCH BANKING AND TRUST COMPANY, as
Lender**

By: /s/ R. Andrew Bean

Name: R. Andrew Bean

Title: Senior Vice President

**WELLS FARGO BANK NATIONAL ASSOCIATION,
as Lender**

By: /s/ Nicholas Schoolar

Name: Nicholas Schoolar

Title: Vice President

ANNEX I

ACKNOWLEDGEMENT OF GUARANTORS OF PAYMENT

Each undersigned hereby acknowledges and agrees to the terms of the Amendment No. 2 to Amended and Restated Credit Agreement, dated as of March 5, 2010 (the "Amendment"), delivered in connection with the Amended and Restated Credit, dated as of March 13, 2009 (as amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), by and among **NN, INC.**, a Delaware corporation (the "US Borrower"), the **FOREIGN BORROWERS** party thereto (together with the US Borrower, the "Borrowers" and each individually, a "Borrower"), various financial institutions (collectively, the "Lenders" and individually, a "Lender") and **KEYBANK NATIONAL ASSOCIATION** ("KeyBank"), as administrative agent and collateral agent (KeyBank, in such capacity, the "Agent").

The undersigned hereby confirms that, upon the effectiveness of the Amendment, each Guaranty of Payment by the undersigned, and each Related Writing to which the undersigned is a party, shall remain in full force and effect and be the valid and binding obligation of the undersigned, enforceable against the undersigned in accordance with its terms. The undersigned hereby further confirms that, upon the effectiveness of the Amendment, such Guaranty of Payment shall continue to guaranty the Obligations (as defined therein).

Capitalized terms used herein but not defined are used as defined in the Credit Agreement.

THE DELTA RUBBER COMPANY

By: /s/ James H. Dorton
Name: James H. Dorton
Title: Treasurer

WHIRLAWAY CORPORATION

By: /s/ James H. Dorton
Name: James H. Dorton
Title: Treasurer

TRIUMPH LLC

By: /s/ James H. Dorton
Name: James H. Dorton
Title: Treasurer

INDUSTRIAL MOLDING CORPORATION

By: /s/James H. Dorton
Name: James H. Dorton
Title: Treasurer

NN HOLDINGS B.V.

By: NN International B.V., its sole managing director

By: /s/William C. Kelly, Jr.
Name: William C. Kelly, Jr.
Title: Director

NN INTERNATIONAL B.V.

By: /s/William C. Kelly, Jr.
Name: William C. Kelly, Jr.
Title: Director

SCHEDULE 1**TO AMENDED AND RESTATED CREDIT AGREEMENT**

<u>LENDERS</u>	<u>COMMITMENT PERCENTAGE</u>	<u>REVOLVING CREDIT COMMITMENT AMOUNT</u>	<u>MAXIMUM AMOUNT</u>
KeyBank National Association	29.6296296333333%	\$25,185,185.19	\$25,185,185.19
Regions Bank	27.7777777777778%	\$23,611,111.11	\$23,611,111.11
Branch Banking and Trust Company	27.7777777777778%	\$23,611,111.11	\$23,611,111.11
Wells Fargo Bank National Association	14.8148148111111%	\$12,592,592.59	\$12,592,592.59
Total Commitment Amount	100%	\$85,000,000.00	\$85,000,000.00

SCHEDULE 5.32

TO AMENDED AND RESTATED CREDIT AGREEMENT

1. NN Netherlands employee reduction action (up to 52 employees)

2. NN Italy employee reduction action (up to 34 employees)

SECOND AMENDMENT TO SECOND AMENDED AND RESTATED
NOTE PURCHASE AGREEMENT AND SHELF AGREEMENT

THIS SECOND AMENDMENT TO SECOND AMENDED AND RESTATED NOTE PURCHASE AGREEMENT AND SHELF AGREEMENT (this "**Amendment**"), is made and entered into as of March 5, 2010, by and among NN, INC., a Delaware corporation (the "**Company**"), certain of its subsidiaries named below (the "**Guarantors**"), The Prudential Insurance Company of America (together with its successors and assigns, "**Prudential**") and the other holders of the Notes from time to time party to the Note Agreement (as defined below) (collectively, and together with their successors and assigns, the "**Noteholders**").

WITNESSETH:

WHEREAS, the Company, the Guarantors and the Noteholders are parties to a certain Second Amended and Restated Note Purchase Agreement and Shelf Agreement, dated as of March 13, 2009, as amended by that First Amendment to Second Amended and Restated Note Purchase Agreement and Shelf Agreement, dated as of July 31, 2009 (as further amended, restated, supplemented or otherwise modified from time to time, the "**Note Agreement**"); capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Note Agreement;

WHEREAS, the Company has requested certain amendments to the Note Agreement, and subject to the terms and conditions hereof, the Noteholders are willing to agree to such amendments;

NOW, THEREFORE, for good and valuable consideration, the sufficiency and receipt of all of which are acknowledged, the Company and the Noteholders agree as follows:

1. **Amendments to Note Agreement.** The Note Agreement is amended as follows:

(a) **Section 8.8.** Section 8.8 of the Note Agreement is amended by replacing the references to Sections 8.3(c) and 8.3(e) appearing in Section 8.8(b) with references to Sections 8.8(c) and 8.8(e).

(b) **Section 10.2.** Section 10.2 of the Note Agreement is amended by replacing such Section in its entirety with the following:

Section 10.2 Leverage Ratio. The Obligors shall not permit the Leverage Ratio, determined at the end of each quarterly fiscal period of the Company set forth below for the four fiscal quarter period ending on such date of determination, taken as a single accounting period, to be greater than:

Four fiscal quarter period ending date:	Maximum Leverage Ratio:
September 30, 2010	6.50:1.00
December 31, 2010	5.57:1.00
March 31, 2011	3.94:1.00
June 30, 2011	2.77:1.00
September 30, 2011 and thereafter	2.75:1.00

This covenant shall be suspended and shall not apply for the fiscal quarters ending March 31, 2010 and June 30, 2010.

(c) **Section 10.3.** Section 10.3 of the Note Agreement is amended by replacing such Section in its entirety with the following:

Section 10.3 Capitalization Ratio. The Obligors will not permit Consolidated Funded Debt at any time to exceed (a) 60% of Consolidated Total Capitalization on the Restatement Closing Date through June 29, 2010, (b) 61% of Consolidated Total Capitalization on June 30, 2010 through September 29, 2010, (c) 62% of Consolidated Total Capitalization on September 30, 2010 through March 30, 2011, (d) 61% of Consolidated Total Capitalization on March 30, 2011 through June 29, 2011, and (e) 60% of Consolidated Total Capitalization thereafter.

(d) **Section 10.5.** Section 10.5 of the Note Agreement is amended by replacing such Section in its entirety with the following:

Section 10.5 Interest Coverage Ratio. The Obligors will not suffer or permit the ratio of (a) EBITDAR to (b) Consolidated Interest Expense, in each case for the four-fiscal quarter period ending on the dates set forth below, to be less than:

Four fiscal quarter period ending date:	Minimum Interest Coverage:
March 31, 2010	0.42:1.00
June 30, 2010	0.95:1.00
September 30, 2010	1.57:1.00
December 31, 2010	1.71:1.00
March 31, 2011	2.23:1.00
June 30, 2011 and thereafter	2.76:1.00

(e) **Section 10.6.** Section 10.6 of the Note Agreement is amended by replacing such Section in its entirety with the following:

Section 10.6 Minimum EBITDA. For each period of four fiscal quarters ending on the last day of each quarterly fiscal period of the Company, commencing on March 31, 2010, the Obligors will not permit EBITDA to be less than:

Four fiscal quarter period ending date:	Minimum EBITDA:
March 31, 2010	\$603,000
June 30, 2010	\$7,245,000
September 30, 2010	\$15,106,000
December 31, 2010	\$17,623,000
March 31, 2011	\$24,904,000
June 30, 2011 and thereafter	\$32,077,000

(f) **Section 10.7.** Section 10.7 of the Note Agreement is amended by replacing such Section in its entirety with the following:

Section 10.7 Capital Expenditures. The Company will not, and will not permit any Subsidiary to, make Capital Expenditures in the aggregate for the Company and Subsidiaries in excess of: (i) \$5,015,000 for the fiscal quarter ending March 31, 2010, (ii) \$8,178,000 on a cumulative basis for the period of two fiscal quarters ending June 30, 2010, (iii) \$12,867,000 on a cumulative basis for the period of three fiscal quarters ending September 30, 2010, (iv) \$16,705,000 on a cumulative basis for the period of four fiscal quarters ending December 31, 2010, (v) \$2,637,000 for the fiscal quarter ending March 31, 2011 and (vi) in excess of \$5,274,000 on a cumulative basis for the period of two fiscal quarters ending June 30, 2011; provided that, the amount of permitted Capital Expenditures for any such fiscal period or cumulative fiscal period shall be reduced by the amount of Attributable Indebtedness of operating leases entered into by the Obligors in such fiscal period; provided further that, Capital Expenditures made with (A) net proceeds from a Material Recovery Event used to replace, rebuild or restore fixed assets in accordance with Section 8.8(a) hereof, and (B) net proceeds from asset dispositions used to replace such assets in accordance with Section 8.8(a) hereof, shall not be included in calculating Capital Expenditures for purposes of this Section 10.7.

(g) **Section 10.9.** Section 10.9 of the Note Agreement is amended by replacing Subsection (b) of such Section in its entirety with the following:

(b) any loans granted to or Capital Lease Obligations entered into by the Company or any Subsidiary for the purchase or lease of fixed assets (and refinancings of such loans or Capital Lease Obligations), which loans and Capital Lease Obligations shall only be secured by the fixed assets being purchased or leased, so long as the aggregate principal amount of all such loans and Capital Lease Obligations for the Company and its Subsidiaries shall not exceed Six Million Dollars (\$6,000,000) in the aggregate at any time outstanding;

(h) **Section 10.19.** Section 10.19 of the Note Agreement is amended by replacing such Section in its entirety with the following:

Section 10.19 *Credit Documents.* The Company shall not, without the prior written consent of the Required Holders, amend, restate, supplement or otherwise modify the Credit Documents to (a) increase the committed principal amount of the Revolving Credit Facility unless such increase shall be permitted pursuant to Section 10.9(l), (b) change the date of any scheduled principal payment to a date prior to September 21, 2011 or (c) otherwise modify any provision such that a Default or Event of Default will exist. The Obligors shall not, without the prior written consent of the Required Holders, permit to exist, on the occurrence of any condition or otherwise, any Lien or other security in favor of the trustee for or the Bank Lenders or any agent therefor other than any Lien granted to Collateral Agent for the benefit of both the Bank Lenders and the holders of the Notes and Liens on assets of Foreign Subsidiaries to the extent subject to the Intercreditor Agreement. The Company will not reduce the commitments to its Revolving Credit Facility to less than the Minimum Revolver Amount, except to the extent that the Company has offered to the holders of the Notes a proportionate prepayment of the Notes pursuant to Section 8.1(b) in connection with each such reduction of the Revolving Credit Facility below the Minimum Revolver Amount, and to the extent such offer is accepted, has made such prepayment. The Company will not make any Restricted Payment under the Credit Agreement other than Restricted Payments under Section 10.14. For purposes of this Section 10.19, the Minimum Revolver Amount at any time shall mean \$85,000,000, reducing to \$84,000,000 on December 31, 2010, reducing to \$83,000,000 on March 31, 2011 and reducing to and remaining \$82,000,000 on June 30, 2011 and thereafter.

(i) **Section 10.** Section 10 of the Note Agreement is amended by adding the following as new Sections 10.25 and 10.26 at the end of Section 10:

Section 10.25 *Restructure of Foreign Subsidiaries*. Except as listed on Schedule 10.25, the Obligor agree that the Obligor will not commence a material restructuring (including any insolvency action with respect thereto) of any Foreign Borrower (as such term is defined in the Credit Agreement) or any Subsidiary which was formerly a Foreign Borrower under the Credit Agreement (notwithstanding its release as a Foreign Borrower under the Credit Agreement pursuant to the Second Amendment to Credit Agreement or otherwise as contemplated thereby), so long as any Obligations (as such term is defined in the Credit Agreement) of such Foreign Subsidiary under the Credit Agreement are outstanding and for a period of twelve (12) months following repayment of any such obligations, unless such action is required under order of any Governmental Authority after the Obligor have taken all steps reasonably available to prevent, object to or stay such action.

Section 10.26 *Minimum Asset Coverage Ratio*: The Company shall not suffer or permit at as of the last day of any fiscal quarter the Minimum Asset Coverage Ratio of the Company to be less than to be less than 1.05 to 1.00.

(j) **Schedule B.** Schedule B to the Note Agreement is amended by (1) adding thereto the following definitions of “Alternate Currency”, “Attributable Indebtedness”, “Minimum Asset Coverage Ratio”, “Second Amendment Date” and “Second Amendment to Credit Agreement” in appropriate alphabetical order and (2) replacing the definition of “EBITDA” and “Subsidiary” in their entirety with the following definitions of “EBITDA” and “Subsidiary”:

“*Alternate Currency*” shall mean Euros or any other currency, other than Dollars, agreed to by the holders of the Notes that shall be freely transferable and convertible into Dollars.

“*Attributable Indebtedness*” shall mean, on any date, in respect of any operating lease of a Person, the capitalized amount of the remaining lease payments under such lease that would appear on a balance sheet of such Person prepared as of such date in accordance with GAAP if the obligations under such lease were accounted for as Capital Lease Obligations.

“*EBITDA*” shall mean, for the Company and its Subsidiaries on a consolidated basis for any period, after giving Acquisition Pro Forma Effect to any Acquisition made during such period, the sum of (a) Section 10.10 Consolidated Net Income, plus (b) Section 10.10 Interest Expense, plus (c) any provision for taxes based on income or profits that was deducted in computing Section 10.10 Consolidated Net Income, plus (d) depreciation, plus (e) amortization of intangible assets and other non-recurring non-cash charges, plus (f) non-recurring non-cash restructuring charges, minus without duplication, the aggregate amounts included in determining such Section 10.10 Consolidated Net Income in respect of: (i) extraordinary or unusual non-cash gains not incurred in the ordinary course of business and (ii) foreign exchange gains as reported in Other Income according to GAAP and the positive impact to EBITDA resulting from converting Alternate Currency-based income to Dollar-based income at an exchange rate exceeding \$1.46 per €1.00, to the extent such amounts together exceed \$5,000,000 for such period; provided that for purposes of calculating the Leverage Ratio and the applicable financial covenants set forth in Section 10.2, Section 10.5 and Section 10.6 hereof, EBITDA shall be deemed to be (A) negative (\$3,513,000) for the fiscal quarter ended June 30, 2009, (B) negative (\$3,382,000) for the fiscal quarter ended September 30, 2009 and (C) \$3,680,000 for the fiscal quarter ended December 31, 2009.

"*Minimum Asset Coverage Ratio*" means, as of any date of determination, determined on a Consolidated basis, the ratio of: (a) the sum of Consolidated Accounts Receivable (as defined by GAAP) of the Company as of such date, plus Consolidated Inventory (as defined by GAAP) of the Company as of such date to (b) the outstanding "Revolving Credit Exposure" (as defined in the Credit Agreement as in effect as of the Second Amendment Date) at such time.

"*Second Amendment Date*" shall mean March 5, 2010.

"*Second Amendment to Credit Agreement*" shall mean that certain Amendment No.2 to Amended and Restated Credit Agreement, dated as of March 5, 2010, by and among the Obligors, certain of their other subsidiaries, the lenders parties thereto and KeyBank National Association, as Administrative Agent.

"*Subsidiary*" shall mean, as to any Person, any corporation, association or other business entity in which such Person or one or more of its Subsidiaries or such Person and one or more of its Subsidiaries owns sufficient equity or voting interests to enable it or them (as a group) ordinarily, in the absence of contingencies, to elect a majority of the directors (or Persons performing similar functions) of such entity, and any partnership or joint venture if more than a 50% interest in the profits or capital thereof is owned by such Person or one or more of its Subsidiaries or such Person and one or more of its Subsidiaries (unless such partnership can and does ordinarily take major business actions without the prior approval of such Person or one or more of its Subsidiaries). Unless the context otherwise clearly requires, any reference to a "Subsidiary" is a reference to a Subsidiary of the Company; *provided, however* that Kugelfertigung Eltmann GmbH shall not be considered a Subsidiary for purposes of this Agreement except with respect to the following definitions and Sections: (i) Section 7.1(a); (ii) Section 7.1(b); (iii) Section 10.10(m); (iv) Section 10.22; and (v) the definitions of the following terms set forth in Schedule B: "Consolidated"; "Consolidated Fixed Charges"; "Consolidated Funded Debt"; "Consolidated Net Income"; "Consolidated Net Worth"; "Consolidated Section 10.10 Debt"; "Consolidated Total Assets"; "EBITDA"; "Foreign Subsidiary"; "Funded Debt"; "Interest Charges"; "Leverage Ratio"; "Pledged Securities"; "Section 10.10 Consolidated Net Income"; "Section 10.10 Interest Expense"; and "Section 10.10 Rent Expense".

2. **Waiver of Mandatory Prepayment.** The Noteholders waive the requirement under Section 10.19 of the Agreement that the Company offer to prepay a portion of the Notes pursuant to Section 8.1(b) in connection with the reduction of the Revolving Credit Facility to \$85,000,000 pursuant to the Second Amendment to Credit Agreement (as defined below).

3. **Conditions to Effectiveness of this Amendment.** Notwithstanding any other provision of this Amendment and without affecting in any manner the rights of the Noteholders hereunder, it is understood and agreed that this Amendment shall not become effective, and the Company shall have no rights under this Amendment, until the Noteholders shall have received (i) payment of an amendment fee to the Noteholders in the amount of 0.25% of the aggregate outstanding principal amount of the Notes, (ii) payment of a structuring fee to the Noteholders in the amount of \$16,806, (iii) reimbursement or payment of their costs and expenses incurred in connection with this Amendment or the Note Agreement (including reasonable fees, charges and disbursements of King & Spalding LLP, counsel to the Noteholders) and (iv) each of the following:

(a) executed counterparts to this Amendment from the Company, each of the Guarantors and the Noteholders;

(b) a certified copy of the fully effective amendment to the Credit Documents, in form and substance satisfactory to the Noteholders, incorporating in substance the amendments set forth in Section 1 hereof, authorizing KeyBank National Association, as Administrative Agent, to enter into the amendment to the Intercreditor Agreement contemplated in clause (c) below and consenting to the execution, delivery and performance of this Amendment by the Company and the Guarantors (the “*Second Amendment to Credit Agreement*”); and

(c) a fully effective amendment to the Intercreditor Agreement, in form and substance satisfactory to the Noteholders.

4. **Representations and Warranties.** To induce the Noteholders to enter into this Amendment, each Obligor hereby represents and warrants to the Noteholders that:

(a) The execution, delivery and performance by such Obligor of this Amendment (i) are within such Obligor’s power and authority; (ii) have been duly authorized by all necessary corporate and shareholder action; (iii) are not in contravention of any provision of such Obligor’s certificate of incorporation or bylaws or other organizational documents; (iv) do not violate any law or regulation, or any order or decree of any Governmental Authority; (v) do not conflict with or result in the breach or termination of, constitute a default under or accelerate any performance required by, any indenture, mortgage, deed of trust, lease, agreement or other instrument to which such Obligor or any of its Subsidiaries is a party or by which such Obligor or any such Subsidiary or any of their respective property is bound; (vi) do not result in the creation or imposition of any Lien upon any of the property of such Obligor or any of its Subsidiaries; and (vii) do not require the consent or approval of any Governmental Authority or any other person;

(b) This Amendment has been duly executed and delivered for the benefit of or on behalf of each Obligor and constitutes a legal, valid and binding obligation of each Obligor, enforceable against such Obligor in accordance with its terms; and

(c) After giving effect to this Amendment, the representations and warranties contained in the Note Agreement and the other Financing Agreements are true and correct in all material respects, and no Default or Event of Default has occurred and is continuing, or would result herefrom, as of the date hereof, except for representations and warranties that were given as of a specific earlier date (which remain true and correct as of such earlier date) or representations and warranties which became inaccurate solely as a result of changes permitted under the Note Agreement.

5. **Reaffirmations and Acknowledgments.**

(a) **Reaffirmation of Guaranty.** Each Guarantor consents to the execution and delivery by the Company of this Amendment and jointly and severally ratify and confirm the terms of its Guaranty of the Obligations of the Company arising under Section 23 of the Note Agreement. Each Guarantor acknowledges that, notwithstanding anything to the contrary contained herein or in any other document evidencing any indebtedness of the Company to the Noteholders or any other obligation of the Company, or any actions now or hereafter taken by the Noteholders with respect to any obligation of the Company, Section 23 of the Note Agreement (i) is and shall continue to be a primary obligation of the Guarantors, (ii) is and shall continue to be an absolute, unconditional, joint and several, continuing and irrevocable guaranty of payment, and (iii) is and shall continue to be in full force and effect in accordance with its terms. Nothing contained herein to the contrary shall release, discharge, modify, change or affect the original liability of the Guarantors under Section 23 of the Note Agreement.

(b) **Acknowledgment of Perfection of Security Interest.** Each Obligor hereby acknowledges that, as of the date hereof, the security interests and liens granted to the Collateral Agent and the Noteholders under the Note Agreement, the Pledge Agreements and the other Financing Agreements are in full force and effect, are properly perfected and are enforceable in accordance with the terms of the Note Agreement and the other Financing Agreements.

6. **Effect of Amendment.** Except as set forth expressly herein, all terms of the Note Agreement, as amended hereby, and the other Financing Agreements shall be and remain in full force and effect and shall constitute the legal, valid, binding and enforceable obligations of the Obligors to the Noteholders. The execution, delivery and effectiveness of this Amendment shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of the Noteholders under the Note Agreement, nor constitute a waiver of any provision of the Note Agreement. This Amendment shall constitute a Financing Agreement for all purposes of the Note Agreement.

7. **Governing Law.** This Amendment shall be governed by, and construed in accordance with, the internal laws of the State of New York and all applicable federal laws of the United States of America.

8. **No Novation.** This Amendment is not intended by the parties to be, and shall not be construed to be, a novation of the Note Agreement or an accord and satisfaction in regard thereto.

9. **Costs and Expenses; Agreement With Respect to the Credit Documents.** The Company agrees to pay on demand all reasonable costs and expenses of the Noteholders in connection with the preparation, execution and delivery of this Amendment, including, without limitation, the reasonable fees and out-of-pocket expenses of outside counsel for the Noteholders with respect thereto. To the extent any Bank Lender is compensated for executing and delivering the Second Amendment to Credit Agreement, whether by fee, increased yield or otherwise, the Company shall provide the Noteholders with at least the equivalent economic consideration, including without limitation the fees set forth in subparagraphs (i) and (ii) of Section 3 of this Amendment (it being understood that the foregoing sentence shall in no way be deemed to constitute a consent on the part of the Noteholders for any such additional compensation to such Persons).

10. **Counterparts.**This Amendment may be executed by one or more of the parties hereto in any number of separate counterparts, each of which shall be deemed an original and all of which, taken together, shall be deemed to constitute one and the same instrument. Delivery of an executed counterpart of this Amendment by facsimile transmission or by electronic mail in pdf form shall be as effective as delivery of a manually executed counterpart hereof.

11. **Binding Nature.** This Amendment shall be binding upon and inure to the benefit of the parties hereto, their respective successors, successors-in-titles, and assigns.

12. **Entire Understanding.** This Amendment sets forth the entire understanding of the parties with respect to the matters set forth herein, and shall supersede any prior negotiations or agreements, whether written or oral, with respect thereto.

[Remainder of page intentionally blank.]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed by their respective authorized officers as of the day and year first above written.

Company:

NN, Inc.

By: /s/James H. Dorton

Name: James H. Dorton

Title: Vice President and CFO

GUARANTORS

**Industrial Molding Corporation, as successor
by merger to Industrial Molding Group, L.P.**

By: /s/ James H. Dorton

Name: James H. Dorton

Title: Treasurer

**The Delta Rubber Company, a Connecticut
corporation**

By: /s/ James H. Dorton

Name: James H. Dorton

Title: Treasurer

Whirlaway Corporation, an Ohio corporation

By: /s/ James H. Dorton

Name: James H. Dorton

Title: Treasurer

**Triumph LLC, an Arizona limited liability
company**

By: /s/ James H. Dorton

Name: James H. Dorton

Title: Treasurer

NOTEHOLDERS:

**The Prudential Insurance Company of
America**

By: /s/ Billy Greer

Name: Billy Greer

Title: Senior Vice President

**Prudential Retirement Insurance and Annuity
Company**

**By: Prudential Investment Management, Inc.,
as investment manager**

By: /s/ Billy Greer

Name: Billy Greer

Title: Senior Vice President

**American Bankers Life Assurance Company
of Florida, Inc.**

**By: Prudential Private Placement Investors,
L.P., as Investment Advisor**

**By: Prudential Private Placement Investors,
Inc., as its General Partner**

By: /s/ Billy Greer

Name: Billy Greer

Title: Senior Vice President

Farmers New World Life Insurance Company

**By: Prudential Private Placement Investors,
L.P., as Investment Advisor**

**By: Prudential Private Placement Investors,
Inc., as its General Partner**

By: /s/ Billy Greer

Name: Billy Greer

Title: Senior Vice President

**Union Security Insurance Company, as
successor to Time Insurance Company**

**By: Prudential Private Placement Investors,
L.P., as Investment Advisor**

**By: Prudential Private Placement Investors,
Inc., as its General Partner**

By: /s/ Billy Greer

Name: Billy Greer

Title: Senior Vice President

Schedule 10.25

to

Second Amended and Restated Note Purchase Agreement and Shelf Agreement

1. NN Netherlands employee reduction action (up to 52 employees)

2. NN Italy employee reduction action (up to 34 employees)

FINANCIAL
RELATIONS BOARD

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

FOR FURTHER INFORMATION:

AT THE COMPANY

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

AT FINANCIAL RELATIONS BOARD

Marilynn Meek
(General info)
(212)827-3773

FOR IMMEDIATE RELEASE

March 9, 2010

NN, INC. ANNOUNCES AMENDED CREDIT FACILITIES

Johnson City, Tenn., March 9, 2010 – NN, Inc. (Nasdaq: NNBR) today announced that it has amended its two credit facilities. The existing facilities were previously amended and restated as of March 13, 2009.

James H. Dorton, Vice President and Chief Financial Officer commented, “On March 8, 2010, we amended our previously amended revolving credit facility with Key Bank as the administrative agent. We also amended the terms for our previously amended senior notes due in April 2014 with Prudential Capital. The Company currently has \$59.2 million outstanding under the revolving credit facility and \$28.6 million outstanding under the senior notes. These amendments were necessary to establish new financial covenants and to replace those that were due to expire within 2010. The new covenants, which will be in effect through the expiration of the revolving credit facility in September 2011, reflect improving economic conditions and the resulting expected improvement in our financial results and outlook. As of December 31, 2009, we were in compliance with all existing covenants.”

“The revised syndicated credit agreement provides for an initial commitment of \$85 million, which reduces by \$1 million at the end of each of the three fiscal quarters beginning with the December 31, 2010 quarter end and ending with the June 31, 2011 quarter end. The total commitment amount will reduce to \$82 million during this time. The amended facility provides for the borrowing of available funds by certain of the Company’s domestic and European subsidiaries and is collateralized by assets of the Company in addition to pledges of stock and guarantees of our domestic and foreign subsidiaries. The loan agreements contain customary covenants including restrictions on payments for dividends, capital expenditures and stock repurchases. The syndicated loan agreement carries a revised interest rate of LIBOR plus 4.75% and the senior notes which are due on April 2014, carry an interest rate of 8.5%. At current interest rates, this yields a blended interest rate of approximately 6.3% on NN’s total debt.”

NN, Inc. manufactures and supplies high precision metal bearing components, industrial plastic and rubber products and precision metal components to a variety of markets on a global basis. Headquartered in Johnson City, Tennessee, NN has 12 manufacturing plants in the United States, Western Europe, Eastern Europe and China. NN, Inc. had sales of US \$425 million in 2008.

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, the successful implementation of the global growth plan including development of new products and consummation of potential acquisitions 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, 2008.

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