

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT UNDER SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934

For the Quarterly Period Ended March 31, 1998

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 #0-8707

NATURE'S SUNSHINE PRODUCTS, INC.

(Exact Name of Registrant)

Utah

87-0327982

(State of Incorporation)

(I.R.S. Employer Identification Number)

75 East 1700 South

Provo, Utah 84606

(Address of Principal Executive Offices)

(801) 342-4370

(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 such shorter period that the Registrant was required to file such report(s), and (2) has been subject to such filing requirements for the past 90 days.

Yes X No

The number of shares of common stock, without par value, outstanding as of May 13, 1998, was 18,460,029.

PART I FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

NATURE'S SUNSHINE PRODUCTS, INC. AND SUBSIDIARIES
CONSOLIDATED CONDENSED BALANCE SHEETS
(Amounts In Thousands)
(UNAUDITED)

<TABLE>
<CAPTION>

	March 31 1998	December 31 1997
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 37,402	\$27,813
Accounts receivable, net	8,852	7,465
Inventories	19,145	19,555
Prepaid expenses and other	10,989	11,197
Total Current Assets	76,388	66,030

PROPERTY, PLANT AND EQUIPMENT, net	24,754	23,711
LONG-TERM INVESTMENTS	3,220	3,468
OTHER ASSETS	2,844	2,587
	-----	-----
	\$107,206	\$95,796
	-----	-----

</TABLE>

The accompanying notes to the financial statements are an integral part of these consolidated condensed financial statements.

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NATURE'S SUNSHINE PRODUCTS, INC. AND SUBSIDIARIES
CONSOLIDATED CONDENSED BALANCE SHEETS (CONTINUED)
(Amounts In Thousands)
(UNAUDITED)

<TABLE>
<CAPTION>

	March 31 1998	December 31 1997
	-----	-----
<S>	<C>	<C>
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Short-term debt	\$ 2,513	\$ 2,665
Accounts payable	5,455	5,094
Accrued volume incentives	12,216	9,531
Accrued liabilities	11,387	7,223
Income taxes payable	3,879	2,946
	-----	-----
Total Current Liabilities	35,450	27,459
	-----	-----
DEFERRED INCOME TAXES	1,701	1,480
	-----	-----
SHAREHOLDERS' EQUITY:		
Common stock, no par value, 20,000 shares authorized; 19,446 shares issued	37,974	37,896
Retained earnings	55,438	51,190
Treasury stock, at cost, 880 and 861 shares at March 31, 1998 and December 31, 1997, respectively	(18,323)	(17,278)
Receivables due from related parties	(77)	(77)
Accumulated other comprehensive income	(4,957)	(4,874)
	-----	-----
Total Shareholders' Equity	70,055	66,857
	-----	-----
	\$107,206	\$ 95,796
	-----	-----

</TABLE>

The accompanying notes to the financial statements are an integral part of these consolidated condensed financial statements.

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NATURE'S SUNSHINE PRODUCTS, INC. AND SUBSIDIARIES
CONSOLIDATED CONDENSED STATEMENTS OF INCOME
(Amounts In Thousands, Except Per-Share Information)
(Unaudited)

<TABLE>
<CAPTION>

	Three Months Ended March 31	
	1998	1997
	-----	-----
<S>	<C>	<C>
SALES REVENUE	\$75,283	\$67,825

COSTS AND EXPENSES:		
Cost of goods sold	13,542	12,060
Volume incentives	35,199	31,404
Selling, general and administrative	18,684	17,951
	-----	-----
	67,425	61,415
	-----	-----
OPERATING INCOME	7,858	6,410
	-----	-----
OTHER INCOME (EXPENSE):		
Interest and other income	459	467
Interest expense	(18)	(11)
Foreign exchange loss	(241)	(166)
Minority interest	129	71
	-----	-----
	329	361
	-----	-----
INCOME BEFORE PROVISION FOR INCOME TAXES	8,187	6,771
PROVISION FOR INCOME TAXES	3,320	2,761
	-----	-----
NET INCOME	\$ 4,867	\$ 4,010
	-----	-----
BASIC NET INCOME PER COMMON SHARE	\$ 0.26	\$ 0.21
	-----	-----
WEIGHTED AVERAGE BASIC SHARES	18,587	18,982
	-----	-----
DILUTED NET INCOME PER COMMON SHARE	\$.26	\$.21
	-----	-----
WEIGHTED AVERAGE DILUTED SHARES	18,950	19,364
	-----	-----

</TABLE>

The accompanying notes to the financial statements are an integral part of these consolidated condensed financial statements.

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NATURE'S SUNSHINE PRODUCTS, INC. AND SUBSIDIARIES
CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS
Increase (Decrease) in Cash and Cash Equivalents
(Amounts In Thousands)
(Unaudited)

<TABLE>
<CAPTION>

	Three Months Ended March 31	
	1998	1997
	-----	-----
<S>	<C>	<C>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from sales revenue	\$ 73,537	\$ 66,182
Cash paid as volume incentives	(32,513)	(29,085)
Cash paid to suppliers and employees	(25,480)	(24,906)
Interest paid	(18)	(11)
Interest received	577	503
Income taxes paid	(2,167)	(1,519)
	-----	-----
Net Cash Provided by Operating Activities	13,936	11,164
	-----	-----
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital expenditures	(2,028)	(783)
Sale (Purchase) of long-term investments	123	(21)
Payments received on long-term receivables	18	53
Purchase of other assets	(429)	(132)
Minority interest elimination	(129)	38

Net Cash Used in Investing Activities	(2,445)	(845)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payment of cash dividends	(619)	(630)
Purchase of treasury stock	(2,072)	(6,837)
Repayments of short-term debt	(152)	(412)
Proceeds from exercise of stock options	853	733
Tax benefit from stock option exercise	252	--
Net Cash Used in Financing Activities	(1,738)	(7,146)
EFFECT OF EXCHANGE RATES ON CASH	(164)	(115)
NET INCREASE IN CASH AND CASH EQUIVALENTS	9,589	3,058
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	27,813	27,879
CASH AND CASH EQUIVALENTS AT END OF PERIOD	\$ 37,402	\$ 30,937

</TABLE>

The accompanying notes to the financial statements are an integral part of these consolidated condensed financial statements.

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NATURE'S SUNSHINE PRODUCTS, INC. AND SUBSIDIARIES
CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS (CONTINUED)
Reconciliation of Net Income to Net Cash Provided by Operating Activities
(Amounts In Thousands)
(UNAUDITED)

<TABLE>

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	Three Months Ended March 31	
	1998	1997
NET INCOME	\$ 4,867	\$ 4,010
Bad debt expense	1	66
Depreciation and amortization	1,139	1,092
Increase in accounts receivable	(1,388)	(1,506)
Decrease in inventories	410	2,099
Decrease in prepaid expenses & other assets	336	596
Increase in income taxes payable	932	1,193
Increase in accrued liabilities and volume incentives	6,849	2,228
Increase in accounts payable	362	1,445
Increase in deferred income taxes	221	49
Cumulative translation adjustments	207	(108)
Total Adjustments	9,069	7,154
Net Cash Provided by Operating Activities	\$13,936	\$11,164

</TABLE>

The accompanying notes to the financial statements are an integral part of these consolidated condensed financial statements.

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NATURE'S SUNSHINE PRODUCTS, INC. AND SUBSIDIARIES
CONSOLIDATED CONDENSED STATEMENTS OF COMPREHENSIVE INCOME
(Dollar Amounts In Thousands)
(UNAUDITED)

<TABLE>
<CAPTION>

	Three Months Ended March 31	
	1998	1997
<S> NET INCOME	<C> \$4,867	<C> \$4,010
OTHER COMPREHENSIVE INCOME		
Foreign currency translation adjustments	42	(223)
Unrealized holding losses arising during the period	(125)	--
Total other comprehensive income	83	(223)
COMPREHENSIVE INCOME, net of tax	\$4,784	\$3,787

</TABLE>

The accompanying notes to the financial statements are an integral part of these consolidated condensed financial statements.

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NATURE'S SUNSHINE PRODUCTS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS
(Amounts In Thousands, Except Per-Share Information)
(UNAUDITED)

(1) INTERIM FINANCIAL STATEMENT POLICIES AND DISCLOSURES

The unaudited, consolidated condensed financial statements of Nature's Sunshine Products, Inc. and subsidiaries included herein have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and footnote disclosures normally required in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to such rules and regulations, although the Company believes that the following disclosures are adequate to make the information presented not misleading.

These consolidated condensed financial statements reflect all adjustments, which in the opinion of management, are necessary to present fairly the financial position as of March 31, 1998, and the results of operations for the periods presented. All of the adjustments which have been made in these consolidated condensed financial statements are of a normal recurring nature. Operating results for the three months ended March 31, 1998, are not necessarily indicative of the results that may be expected for the year ending December 31, 1998.

It is suggested that these consolidated condensed financial statements be read in conjunction with the consolidated financial statements and the notes thereto included in the Company's latest Annual Report on Form 10-K for the year ended December 31, 1997.

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NATURE'S SUNSHINE PRODUCTS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS (CONTINUED)

(2) INVENTORIES

Inventories consist of:

<TABLE>
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	March 31 1998	December 31 1997
<S> Raw materials	<C> \$ 7,190	<C> \$ 5,912
Work in process	1,043	1,455
Finished goods	10,912	12,188
	-----	-----
	\$ 19,145	\$ 19,555

</TABLE>

(3) NET INCOME PER SHARE

Basic net income per common share (Basic EPS) excludes dilution and is computed by dividing net income by the weighted-average number of common shares outstanding during the period. Diluted net income per common share (Diluted EPS) reflects the potential dilution that could occur if stock options or other contracts to issue common stock were exercised or converted into common stock. The computation of Diluted EPS does not assume exercise or conversion of securities that would have an anti-dilutive effect on net income per common share. Net income per common share amounts and share data have been restated for all periods presented to reflect basic and diluted per share presentations.

As of March 31, 1998, the Company had a total of 1,180 options outstanding. The options were all granted at market prices, with a weighted average exercise price of \$13.41.

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Following is a reconciliation of the numerator and denominator of Basic EPS to the numerator and denominator of Diluted EPS for all periods:

<TABLE>

<CAPTION>

	Net Income (Numerator)	Shares (Denominator)	Per Share Amount
<S>	<C>	<C>	<C>

March 31, 1998			

Basic EPS	\$4,867	18,587	\$.26
Effect of options	--	363	

Diluted EPS	\$4,867	18,950	\$.26

March 31, 1997			

Basic EPS	\$4,010	18,982	\$.21
Effect of options	--	382	

Diluted EPS	\$4,010	19,364	\$.21

</TABLE>

At March 31, 1998 and 1997, there were outstanding options to purchase 11,066 and 279,600 shares of common stock, respectively, that were not included in the computation of Diluted EPS, as their effect would have been anti-diluted.

(4) QUARTERLY CASH DIVIDENDS

The Company has declared 39 consecutive quarterly cash dividends. The most recent quarterly cash dividend of 3 1/3 cents per common share was declared May 5, 1998, to shareholders of record on May 18, 1998, which is payable May 29, 1998.

(5) RECENT ACCOUNTING PRONOUNCEMENTS

In June 1997, the Financial Accounting Standards Board issued SFAS No. 131 "Disclosures about Segments of an Enterprise and Related Information". SFAS No. 131 establishes new standards for public companies to report information about their operating segments, products and services, geographic areas and major customers. This statement is effective for financial statements issued for years beginning after December 15, 1997. Accordingly, the Company will adopt SFAS No. 131 in its December 31, 1998 consolidated financial statements.

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(6) ACCUMULATED OTHER COMPREHENSIVE INCOME

As of January 1, 1998, the Company adopted SFAS No. 130, "Reporting Comprehensive Income." SFAS No. 130 establishes standards for the reporting and display of comprehensive income and its components.

The composition of accumulated other comprehensive income is as follows:

<TABLE>
<CAPTION>

	Foreign Currency Items	Unrealized Gains on Securities	Total Accumulated Other Comprehensive Income
	-----	-----	-----
<S>	<C>	<C>	<C>
Balance as of December 31, 1997	\$ (5,290)	\$ 416	\$ (4,874)
Current period change	42	(125)	(83)
	-----	-----	-----
Balance as of March 31, 1998	\$ (5,248)	\$ 291	\$ (4,957)
	-----	-----	-----

</TABLE>

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION
AND RESULTS OF OPERATIONS

The following discussion should be read in conjunction with the consolidated Financial Statements, the Notes there to and Management's Discussion and Analysis included the Company's Annual Report for the year ended December 31, 1997.

RESULTS OF OPERATIONS

The following table identifies (i) the relationship that net income items disclosed in the consolidated condensed financial statements have to total sales, and (ii) amount and percent of change of such items compared to the corresponding prior period.

<TABLE>
<CAPTION>

(Dollar Amounts in Thousands)
(Unaudited)

(i) Income and Expense Items as a Percent of Sales		Income and Expense Items	(ii) Three Months Ended March 31 1998 to 1997	
Three Months Ended March 31			Amount of Increase/ (Decrease)	Percent of Change
1998	1997			
-----	-----	-----	-----	-----
<C>	<C>	<S>	<C>	<C>
100.00%	100.00%	Sales revenue	\$7,458	11.00%
-----	-----		-----	-----
17.99	17.78	Cost of sales	1,482	12.29
46.76	46.30	Volume incentives	3,795	12.08
24.82	26.47	SG&A expenses	733	4.08
-----	-----		-----	-----
89.57	90.55		6,010	9.79
-----	-----		-----	-----
10.43	9.45	Operating income	1,448	22.59
-----	-----		-----	-----
0.61	0.67	Interest and other income	(80)	(1.71)
(0.02)	--	Interest expense	(7)	(63.64)
(0.32)	(0.25)	Foreign exchange gain (loss)	(75)	(45.18)
0.17	0.11	Minority interest	58	81.69
-----	-----		-----	-----
0.44	0.53		(32)	(8.86)
-----	-----		-----	-----
10.87	9.98	Income before provision for income taxes	1,416	20.91
4.41	4.07	Provision for income taxes	559	20.25
-----	-----		-----	-----
6.46%	5.91%	Net income	\$ 857	21.37%
-----	-----		-----	-----

</TABLE>

MANAGEMENT'S DISCUSSION AND ANALYSIS
OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)

SALES REVENUE:

The Company reported record consolidated sales revenue for the three months ended March 31, 1998. Sales revenue for the three months ended March 31, 1998, was \$75.3 million compared to \$67.8 million in the same period the prior year, an increase of 11 percent.

Management believes the increase in sales for the three-month period is attributable to the expansion of the Company's independent sales force, a continued increase of consumer awareness and interest in natural health and nutritional products and incentives the Company offers to its independent sales force. Sales revenue in the Company's domestic operations was \$49.5 million for the three months ended March 31, 1998, an increase of 11 percent over the same period the prior year. Domestic sales revenue was impacted by decreased sales in the Hispanic market.

The Company's international operations reported sales revenue of \$25.8 million for the three-month period ended March 31, 1998, an increase of 10 percent compared to the same period in 1997. However, the Company experienced a decrease in sales revenue in its Asia Pacific markets, primarily due to the devaluation in the Japanese yen. Price increases are planned in this market to adjust for the devaluation that has taken place. Management believes that the price increases will be acceptable to its sales force and will result in increased sales revenue. The Company also had a decrease in operating income which resulted primarily from losses associated with the Company's new subsidiary in South Korea, which began operations in the fourth quarter of 1997.

The Company's independent sales force consists of Managers and Distributors. A Distributor interested in earning additional income by committing more time and effort to selling the Company's products may attain the rank of "Manager." Appointment as a Manager is dependent upon attaining certain purchase volume levels and demonstrating leadership abilities. The number of Managers was

15,758 at March 31, 1998, compared to 13,946 at March 31, 1997, an increase of 13 percent. The number of Distributors at March 31, 1998, was approximately 552,000 compared to 523,040 at March 31, 1997.

COST OF GOODS SOLD:

The Company experienced a slight increase in cost of goods sold, as a percentage of sales, for the three months ended March 31, 1998, compared to the same period last year. The increase in cost of goods sold, as a percentage of sales, was primarily related to freight and duty costs in the Company's international operations. Management expects cost of goods sold to decrease slightly as a percent of sales during the remainder of 1998 as the result of efficiencies expected to be obtained in the Company's manufacturing operations.

VOLUME INCENTIVES:

Volume incentives are an integral part of the Company's direct sales marketing program and are payments to independent sales force members for reaching certain levels of sales performance and organizational development. Volume incentives vary slightly, on a percentage basis, by product due to the Company's pricing policies. The increase in volume incentives, as a percent of sales, for the three months ended March 31, 1998, is primarily related to the development of the sales leader organizations in Brazil, Mexico and Venezuela.

Management expects volume incentives to remain relatively constant, as a percent of sales, during the remainder of 1998.

SELLING, GENERAL AND ADMINISTRATIVE EXPENSES:

The Company experienced decreased selling, general and administrative expenses (SG&A), as a percent of sales, during the period ended March 31, 1998. The decrease, as a percent of sales, was the result of improved budgetary and cost controls.

Management expects SG&A to decrease, as a percent of sales, for the year ended December 31, 1998.

SEGMENT INFORMATION:

Segment information for the three months ended March 31, 1998, compared to the previous year are as follows:

<TABLE>
<CAPTION>

SALES REVENUE	(Dollars in Thousands) (Unaudited)	
	1998	1997
	-----	-----
<S>	<C>	<C>
DOMESTIC SALES REVENUE	\$ 49,496	\$44,428
	-----	-----
INTERNATIONAL SALES REVENUE:		
Americas	22,316	19,489
Asia Pacific	2,432	2,914
Other	1,039	994
	-----	-----
TOTAL INTERNATIONAL	25,787	23,397
	-----	-----
TOTAL SALES REVENUE	\$ 75,283	\$67,825
	-----	-----

</TABLE>

<TABLE>
<CAPTION>

OPERATING INCOME	(Dollars in Thousands) (Unaudited)	
	1998	1997
	-----	-----
<S>	<C>	<C>
DOMESTIC OPERATING INCOME	\$ 6,000	\$ 4,935
	-----	-----
INTERNATIONAL OPERATING INCOME:		
Americas	2,276	1,396
Asia Pacific	(559)	(17)
Other	141	96
	-----	-----
TOTAL INTERNATIONAL	1,858	1,475
	-----	-----
TOTAL OPERATING INCOME	\$ 7,858	\$ 6,410
	-----	-----

</TABLE>

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<TABLE>
<CAPTION>

ASSETS	(Dollars in Thousands) (Unaudited)	
	1998	1997
	-----	-----
<S>	<C>	<C>
DOMESTIC ASSETS	\$ 67,431	\$57,611
	-----	-----
INTERNATIONAL ASSETS:		
Americas	33,890	31,474
Asia Pacific	5,269	3,881
Other	616	588
	-----	-----
TOTAL INTERNATIONAL	39,775	35,943
	-----	-----
TOTAL ASSETS	\$107,206	\$93,554
	-----	-----

</TABLE>

BALANCE SHEET

ACCOUNTS RECEIVABLE

Accounts receivable increased approximately \$1.4 million during the

three months ended March 31, 1998. The increase in receivables is primarily related to the Company's domestic operation. During the month of March the Company extended credit to certain high level domestic independent distributors, associated with certain promotions.

ACCRUED VOLUME INCENTIVES

Accrued volume incentives increased approximately \$2.7 million during the month of March as a direct result of increased sales revenue.

ACCRUED LIABILITIES

Accrued liabilities increased approximately \$4.2 million during the three months ended March 31, 1998. The increase is primarily the result of accruals associated with the Company's sales conventions and travel programs.

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LIQUIDITY AND CAPITAL RESOURCES

Cash and cash equivalents increased approximately \$9.6 million for the three months ended March 31, 1998. The increase in cash is primarily the result of the increased sales and net income as well as increases in accrued liabilities.

Management believes the Company's stock is an attractive investment and, from time to time pursuant to its recently announced 500,000 share stock buyback program, may utilize a portion of its available cash to purchase up to the remaining balance of approximately 416,000 shares of its stock as market conditions warrant. During the first quarter of 1998, the Company acquired \$2.1 million, or approximately 84,000 shares, of treasury stock as part of the 500,000 share buyback program.

During 1997, the Company began expansion of its domestic manufacturing and warehouse facilities. The Company paid approximately \$1.5 million during the three months ended March 31, 1998, for continued construction costs. The new facility will be completed during the second quarter of 1998. Management expects to fund the remaining \$1.8 million of the project from working capital.

The Company is a defendant in various lawsuits which are incidental to the Company's business. Management, after consultation with its legal counsel, believes that the ultimate disposition of these matters will not have a material affect upon the Company's consolidated results of operations or financial position.

Management believes that working capital requirements can be met through the Company's available cash and cash equivalents and internally-generated funds for the foreseeable future; however, a prolonged economic downturn or a decrease in the demand for the Company's products could adversely affect the long-term liquidity of the Company. In the event of a significant decrease in cash provided by the Company's operations, it may be necessary for the Company to obtain external sources of funding. The Company does not currently maintain a credit facility or any other external sources of

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long-term funding; however, Management believes that such funding could be obtained on competitive terms in the event additional sources of funds became necessary.

THE YEAR 2000 ISSUE

The Company believes that it will not incur any material additional costs to modify computer hardware or software to make the Company's internal-use software application systems "Year 2000" compliant.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

Statements included in this Management's Discussion and Analysis of Financial Condition and Results of Operations and other items of this Form 10-Q may contain forward-looking statements. Such forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such statements may related but not be limited to projections of revenues, income or loss, capital expenditures, the expected development schedule of existing real estate projects, plans for growth and future operations, financing needs, as well as assumptions relating to the foregoing. Forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified. When used in this "Management's Discussion and Analysis of Financial Condition and Results of Operations", and elsewhere in this Form 10-Q the

words "estimates", "expects", "anticipates", "forecasts", "plans", "intends" and variations of such words and similar expressions are intended to identify forward-looking statements that involve risks and uncertainties. Future events and actual results could differ materially from those set forth in, contemplated by or underlying the forward-looking statements.

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PART II OTHER INFORMATION

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

- a) No exhibits are required to be filed by Item 601 of Regulation S-K.
- b) No reports were filed on Form 8-K during the quarter for which this report is filed.

OTHER ITEMS

There were no other items to be reported under Part II of this report.

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.

NATURE'S SUNSHINE PRODUCTS, INC.

Date: May 13, 1998 /s/ Daniel P. Howells

Daniel P. Howells, President & Chief Executive Officer

Date: May 13, 1998 /s/ Craig D. Huff

Craig D. Huff, Chief Financial Officer

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