

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **February 15, 2005**

Nature's Sunshine Products, Inc.

(Exact name of registrant as specified in its charter)

Utah
(State or other jurisdiction of
incorporation)

0-8707
(Commission File Number)

87-0327982
(IRS Employer Identification
Number)

**75 East 1700 South
Provo, Utah 84606**
(Address of principal executive offices) (Zip Code)

(801) 342-4300
(Registrant's telephone number, including area code)

Check the appropriate box below if the form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2 to Form 8-K):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 24.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 40.13e-4(c))

Item 2.02 Results of Operations and Financial Condition.

On February 15, 2005, Nature's Sunshine Products, Inc. issued a press release regarding its financial results for its fiscal quarter and full fiscal year ended December 31, 2004 and conducted a conference call to discuss such financial results. A copy of the press release is attached as Exhibit 99.1.

The information contained in this Item 2.02 and the exhibit hereto are being furnished and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, and shall not be deemed incorporated by reference in any filing with the Securities and Exchange Commission under the Securities Exchange Act of 1934 or the Securities Act of 1933, whether made before or after the date hereof and irrespective of any general incorporation language in any filings.

Item 9.01 Financial Statements and Exhibits.

(c) The following exhibit is being furnished herewith:

99.1 Press release issued by Nature's Sunshine Products, Inc. dated February 15, 2005.

2

SIGNATURE

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

February 16, 2005

By: **NATURE'S SUNSHINE PRODUCTS, INC.**

Name: /s/ Craig D. Huff
Craig D. Huff
Title: Chief Financial Officer and Secretary

3

EXHIBIT INDEX

Number

Exhibit

FOR IMMEDIATE RELEASE

**NATURE'S SUNSHINE REPORTS RECORD 2004 REVENUES,
OPERATING INCOME UP 181 Percent, PROFITS INCREASE 235 Percent**

**Fourth Quarter Operating Results Show Continued Strong Gains,
With Domestic Net Sales Revenues Ahead 8 Percent**

PROVO, UTAH, February 15, 2005 – Nature's Sunshine Products, Inc. (NASDAQ:NATR), a leading manufacturer and marketer of encapsulated herbs and vitamins, today reported record sales revenue and strong gains in operating and net income for both the fourth quarter and year ended December 31, 2004.

For the twelve months ended December 31, 2004, net sales revenue increased to \$331.1 million, compared with \$260.2 million in the same period of 2003, an increase of 27.3 percent. Operating income advanced 181.0 percent, to \$21.7 million, from \$7.7 million the previous year. Net income totaled \$17.1 million, or \$1.10 per diluted share, for the year ended December 31, 2004 compared to \$5.1 million, or \$0.36 per diluted share for the same period in the prior year.

For the fourth quarter ended December 31, 2004, net sales revenues increased to \$88.3 million, compared with \$68.8 million in the same period in the prior year, a 28.3 percent increase. Operating income totaled \$6.5 million, compared with \$3.8 million in the same period in the prior year, a 70.6 percent increase. Net income increased to \$4.7 million, or \$0.30 per diluted share, from \$2.9 million, or \$0.21 per diluted share, increases of 58.9 and 43.3 percent, respectively, over the same period in the prior year. Per share calculations are based on 10.9 percent more weighted average diluted shares outstanding in the 2004 fourth quarter and 8.0 percent more diluted shares for the full year.

Selling, general and administrative ("SG&A") expenses in line with the Company's objectives continued to decline as a percentage of net sales revenues. For the fourth quarter, SG&A totaled 33.4 as a percent of net sales revenues, compared with 39.6 percent a year ago, and for the year ended December 31, 2004 it totaled 35.9 percent, compared to 41.0 percent for the same period in the prior year. The Company's objective is to continue to reduce SG&A as a percentage of net sales revenues.

"Nature's Sunshine made considerable progress in 2004," said Douglas Faggioli, President and CEO. "In addition to our success in continuing to reduce expenses, we achieved a 7.7 percent increase in United States net sales revenue in the fourth quarter, the first year over year quarterly gain in some time. This was accomplished while maintaining strong momentum in our international operation as well as in Synergy Worldwide. New products and new marketing initiatives clearly are beginning to pay off. Our Dutch auction tender offer in November was very successful. Overall we believe the outlook for the Company's growth continues to be positive."

Synergy Worldwide, which operates principally in Asia, continued to experience rapid sales revenue growth. Fourth quarter net sales revenue increased 124.0 percent, to \$23.5 million compared with \$10.5 million during the same period of the prior year. Net sales revenue for the

twelve months ended December 31, 2004, totaled \$83.6 million compared with \$26.9 million for 2003, an increase of 210.5 percent.

United States, net sales revenue for the fourth quarter, which includes the Dominican Republic, increased 7.7 percent to \$36.8 million, compared to \$34.2 million in the same period of the prior year. The Company attributed the 2004 fourth quarter improvement to new products, such as Thai-Go, and new marketing initiatives, particularly its Habit of Health™ 90-Day Challenge program. Domestic sales revenue for the full year totaled \$142.8 million, compared with \$143.6 million in 2003.

International net sales revenue for the fourth quarter totaled \$28.0 million, compared to \$24.1 million, a 15.9 percent increase, and for the year totaled \$104.6 million, compared with \$89.6 million the prior year, an increase of 16.7 percent. Fifteen countries posted higher sales revenue, most noticeably Canada, Colombia, El Salvador, Israel, Japan, Mexico, and Russia.

As previously disclosed, on November 30, 2004 the Company announced that it had purchased 1,000,000 shares of common stock at a purchase price of \$16.50 per share, pursuant to a Dutch auction tender offer. The proration factor for the tender offer was approximately 67.42 percent.

As of December 31, 2004, working capital totaled \$40.7 million, cash and cash equivalents and investments amounted to \$44.0 million, total liabilities were approximately \$53.9 million and shareholders' equity increased to \$91.2 million.

Nature's Sunshine had approximately 665,000 Distributors worldwide at December 31, 2004, compared to 562,000 a year earlier. The numbers of Managers worldwide on the same dates were approximately 18,350 and 15,150, respectively.

About Nature's Sunshine

Nature's Sunshine Products manufactures and markets through direct sales encapsulated and tableted herbal products, high quality natural vitamins, and other complementary products. In addition to the United States, the Company has operations in Japan, Mexico, Central America, South Korea, Canada, Dominican Republic, Venezuela, Ecuador, Peru, the United Kingdom and Ireland, Colombia, Brazil, Thailand, Israel, Singapore and Taiwan. The Company also has exclusive distribution agreements with selected companies in Argentina, Australia, Chile, New Zealand, Norway, and the Russian Federation.

Statements in this press release concerning the Company's business outlook or future economic performance, anticipated profitability, revenues, expenses or other financial items, and product line growth, together with other statements that are not historical facts, are "forward-looking statements" as that term is defined under Federal Securities Laws. "Forward-looking statements" are subject to risks, uncertainties and other factors, which could cause actual results to differ materially from those set forth in such statements. Such risks, uncertainties, and factors include, but are not limited to, foreign business risks, industry cyclicality, fluctuations in customer demand and order pattern, changes in pricing and general economic conditions, as well as other risks detailed in the Company's filings with the Securities and Exchange Commission.

Conference Call Schedule

A conference call will be held on Tuesday, February 15, 2005, at 11am (ET) and can be accessed live over the Internet through World Investor Link's Vcall website, located at <http://www.vcall.com>. To listen to the live call, individuals should go to the web site at least 15 minutes early to register, download and install any necessary audio software. A replay on the Vcall website will be available for one week after the original broadcast. A rebroadcast of the call will be available starting approximately two hours after the conference call ends, through midnight (ET) on Tuesday, March 1, 2005. The replay of the conference call can be accessed by dialing 1-877-519-4471, and, when prompted, use PIN number 5691049. International callers dial (973) 341-3080 and use the same PIN number.

Contact:

Craig D. Huff
Chief Financial Officer

Steven S. Anreder
Anreder & Co.

###

NATURE'S SUNSHINE PRODUCTS, INC.
FINANCIAL SUMMARY
SELECTED STATEMENT OF OPERATIONS INFORMATION
(In thousands, except per share amounts)

	THREE MONTHS ENDED DECEMBER 31	
	(Unaudited)	
	2004	2003
Net sales revenue	\$ 88,343	\$ 68,845
Cost of goods sold	17,350	12,773
Volume incentives	34,999	24,982
Selling, general and administrative	29,499	27,283
	<u>81,848</u>	<u>65,038</u>
Operating income	6,495	3,807
Other income, net	404	241
Income before income taxes	6,899	4,048
Provision for income taxes	2,238	1,114
Net income	\$ 4,661	\$ 2,934
Basic net income per common share	\$ 0.31	\$ 0.21
Basic weighted average common shares	15,128	14,015
Diluted net income per common share	\$ 0.30	\$ 0.21
Diluted weighted average common shares	<u>15,655</u>	<u>14,116</u>

	TWELVE MONTHS ENDED DECEMBER 31	
	(Unaudited)	
	2004	2003
Net sales revenue	\$ 331,063	\$ 260,151
Cost of goods sold	62,693	51,927
Volume incentives	127,985	93,910
Selling, general and administrative	118,731	106,608
	<u>309,409</u>	<u>252,445</u>
Operating income	21,654	7,706
Other income (expense), net	1,307	(474)
Income before income taxes	22,961	7,232
Provision for income taxes	5,883	2,133
Net income	\$ 17,078	\$ 5,099
Basic net income per common share	\$ 1.14	\$ 0.36
Basic weighted average common shares	14,917	14,181
Diluted net income per common share	\$ 1.10	\$ 0.36
Diluted weighted average common shares	<u>15,478</u>	<u>14,336</u>

SELECTED BALANCE SHEET INFORMATION
(In thousands)

	December 31, 2004	December 31, 2003
	(Unaudited)	
Cash and cash equivalents	\$ 36,206	\$ 30,665
Other current assets	56,300	45,371
Total current assets	92,506	76,036
Property, plant and equipment	34,731	32,318
Other assets	17,838	17,204
Total	<u>\$ 145,075</u>	<u>\$ 125,558</u>
Current liabilities	\$ 51,812	\$ 45,984
Other liabilities	2,045	2,232
Shareholders' equity	91,218	77,342
Total	<u>\$ 145,075</u>	<u>\$ 125,558</u>