

**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): **July 19, 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 July 19, 2005, Nature's Sunshine Products, Inc. issued a press release regarding its financial results for its fiscal quarter ended June 30, 2005 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 July 19, 2005.

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**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.

July 20, 2005

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

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

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**EXHIBIT INDEX**

Number

Exhibit



## FOR IMMEDIATE RELEASE

NATURE'S SUNSHINE REPORTS  
SECOND QUARTER RESULTS

PROVO, UTAH, July 19, 2005 — Nature's Sunshine Products, Inc. (NASDAQ:NATR), a leading manufacturer and marketer of encapsulated herbs and vitamins, today reported operating results for the three and six months ended June 30, 2005.

For the three months ended June 30, 2005, sales revenue increased 8.1 percent to \$87.0 million compared to \$80.5 million in the same period of the prior year. Due to a large tax credit that was realized in the second quarter of 2004, net income decreased to \$4.1 million in the second quarter of 2005 compared to \$4.8 million in the second quarter of 2004, a decrease of 15.7 percent. Net income per diluted share was \$0.26 compared to \$0.31 per share a year ago.

For the six months ended June 30, 2005, sales revenue increased 9.6 percent to \$173.4 million compared to \$158.2 million in the same period of the prior year. Operating income for the six months was up 23.2 percent to \$10.3 million from \$8.4 million in the same period of the prior year. Net income for the six months ended June 30, 2005, was \$8.0 million compared to \$7.8 million in the same period of the prior year, an increase of 2.9 percent. Net income per diluted share for the six months ended June 30, 2005, totaled \$0.52 compared to \$0.51 in the same period of the prior year, based on 15.5 million and 15.2 million weighted average diluted shares, respectively.

The United States division's net sales revenue for the three months ended June 30, 2005, increased 2.7 percent to \$36.4 million from \$35.4 million in the same period of the prior year. For the six months ended June 30, 2005, net sales revenue in the United States totaled \$73.9 million compared to \$72.2 million in the same period of the prior year, an increase of 2.4 percent.

The international division's net sales revenue for the three months ended June 30, 2005, totaled \$30.2 million compared to \$24.7 million in the same period of the prior year, an increase of 22.4 percent. For the six months ended June 30, 2005, the international division's net sales revenue totaled \$58.9 million, a 17.1 percent increase over the same period of the prior year. Strong second quarter gains were reported in several international markets including Russia, Canada and Colombia. Quarterly sales revenue and operating income increased sharply in Japan.

Synergy Worldwide's net sales revenue for the three months ended June 30, 2005, totaled \$20.4 million which was equivalent to net sales revenue reported in the same period of the prior year and increased 1.1 percent sequentially from the first quarter of 2005. For the six months ended June 30, 2005, net sales revenue totaled \$40.6 million, an increase of 13.6 percent over the same period of the prior year. Synergy Worldwide reported a second quarter operating loss of approximately \$1.1 million. The decrease in operating income was primarily the result of

duplicate costs of the division's transition to its new "on-the-ground" distribution system in Japan.

"Synergy seems to have turned the corner, and we anticipate improved results for the rest of year," said Douglas Faggioli, President and CEO. "On the other hand, our domestic operation continued its comeback and international results reflected impressive gains in key markets. Our Habit-of-Health marketing program continues to experience increased acceptance in the U.S. Zambroza, known as Thai-Go in our United States market, is gaining momentum as it is being introduced to our international markets. We remain focused on reducing expenses worldwide as reflected in the 170 basis point improvement in SG&A, as a percentage of sales, in the second quarter."

The balance sheet remained strong with working capital on June 30, 2005 totaling \$52.1 million and cash and cash equivalents totaling \$41.4 million. Shareholders equity was \$102.2 million.

The Company had approximately 671,000 Distributors worldwide on June 30, 2005, compared to approximately 613,000 in the same period of the prior year. The number of Managers worldwide amounted to approximately 21,400 compared to approximately 17,200 a year ago.

#### 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. The Company disclaims any obligations to update any forward-looking statement as a result of developments occurring after the date of this press release.*

#### Conference Call Schedule

A conference call will be held on Tuesday, July 19, 2005, at 10am (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, August 2, 2005. The replay of the conference call can be accessed by dialing 1-877-519-4471, and, when prompted, use PIN number 6277350. International callers dial (973) 341-3080 and use the same PIN number.

#### Contact:

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**NATURE'S SUNSHINE PRODUCTS, INC.**  
**FINANCIAL SUMMARY**

**SELECTED STATEMENT OF OPERATIONS INFORMATION**

*(In thousands, except per share amounts)*

	<b>QUARTER ENDED</b>	
	<b>JUNE 30</b>	
	<b>(Unaudited)</b>	
	<b>2005</b>	<b>2004</b>
Net sales revenue	\$ 87,040	\$ 80,521
Cost of goods sold	14,825	14,409
Volume incentives	35,161	30,135
Selling, general and administrative	32,287	31,204
	<u>82,273</u>	<u>75,748</u>
Operating income	4,767	4,773
Other expense, net	(116)	(128)
Income before income taxes	4,651	4,645
Provision for income taxes	584	(177)
Net income	<u>\$ 4,067</u>	<u>\$ 4,822</u>
Basic net income per common share	<u>\$ 0.27</u>	<u>\$ 0.32</u>
Basic weighted average common shares	<u>15,203</u>	<u>14,914</u>
Diluted net income per common share	<u>\$ 0.26</u>	<u>\$ 0.31</u>
Diluted weighted average common shares	<u>15,519</u>	<u>15,528</u>
	<b>SIX MONTHS ENDED</b>	
	<b>JUNE 30</b>	
	<b>(Unaudited)</b>	
	<b>2005</b>	<b>2004</b>
Net sales revenue	\$ 173,441	\$ 158,199
Cost of goods sold	29,523	29,828
Volume incentives	68,669	59,623
Selling, general and administrative	64,931	60,371
	<u>163,123</u>	<u>149,822</u>
Operating income	10,318	8,377
Other income (expense), net	(42)	728
Income before income taxes	10,276	9,105
Provision for income taxes	2,242	1,295
Net income	<u>\$ 8,034</u>	<u>\$ 7,810</u>
Basic net income per common share	<u>\$ 0.53</u>	<u>\$ 0.53</u>
Basic weighted average common shares	<u>15,077</u>	<u>14,729</u>
Diluted net income per common share	<u>\$ 0.52</u>	<u>\$ 0.51</u>
Diluted weighted average common shares	<u>15,466</u>	<u>15,258</u>

**SELECTED BALANCE SHEET INFORMATION**

*(In thousands)*

	<b>June 30,</b>	<b>December 31,</b>
	<b>2005</b>	<b>2003</b>
	<b>(Unaudited)</b>	
Cash and cash equivalents	\$ 41,357	\$ 36,206
Other current assets	57,466	56,300
Total current assets	<u>98,823</u>	<u>92,506</u>
Property, plant and equipment	34,201	34,731
Other assets	17,868	17,839
Total	<u>\$ 150,892</u>	<u>\$ 145,076</u>
Current liabilities	\$ 46,686	\$ 51,812
Other liabilities	1,996	2,045
Shareholders' equity	102,210	91,219
Total	<u>\$ 150,892</u>	<u>\$ 145,076</u>