- --
- --

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 10-Q
(Mark One)

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

For the Quarterly Period Ended June 30, 1999

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ________________to _________________

Commission File #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) 342-4300
(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 August 5, 1999, was 17,514,399.

- --
- --

PART I FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

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

<TABLE>
<CAPTION>

<S>	June 30, 1999 <C>	December 31, 1998 <C>
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 25,468	$ 22,099
Accounts receivable, net	9,668	9,939
Inventories	20,869	22,494
Deferred income tax assets	2,242	2,438
Prepaid expenses and other	7,513	6,025
Total Current Assets	65,760	62,995
PROPERTY, PLANT AND		

EQUIPMENT, net	25,943	25,896
LONG-TERM INVESTMENTS	12,161	11,675
OTHER ASSETS	3,234	3,133
	-----------	-----------
	$107,098	$103,699
	-----------	-----------
	-----------	-----------

</TABLE>

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

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

<TABLE>
<CAPTION>

	June 30, 1999	December 31, 1998
	-----------	-----------
<S>	<C>	<C>
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Short-term debt	$ 1,221	$ 1,728
Accounts payable	3,341	4,403
Accrued volume incentives	10,472	9,638
Accrued liabilities	10,833	8,649
Income taxes payable	3,112	3,279
	-----------	-----------
Total Current Liabilities	28,979	27,697
	-----------	-----------
LONG-TERM LIABILITIES:		
Deferred income tax liabilities	1,971	2,035
Deferred compensation	647	---
	-----------	-----------
Total Long-Term Liabilities	2,618	2,035
	-----------	-----------
SHAREHOLDERS' EQUITY:		
Common stock, no par value, 20,000 shares authorized; 19,446 shares issued	37,528	37,528
Retained earnings	80,610	72,013
Treasury stock, at cost, 1,803 and 1,421 shares at June 30, 1999 and December 31, 1998, respectively	(33,459)	(28,926)
Accumulated other comprehensive loss	(9,178)	(6,648)
	-----------	-----------
Total Shareholders' Equity	75,501	73,967
	-----------	-----------
	$107,098	$103,699
	-----------	-----------
	-----------	-----------

</TABLE>

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

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

<TABLE>
<CAPTION>

	Three Months Ended June 30,	
	1999	1998
SALES REVENUE	$ 71,639	$ 77,201
COSTS AND EXPENSES:		
Cost of goods sold	12,284	13,646
Volume incentives	32,764	35,474
Selling, general and administrative	19,210	18,858
	64,258	67,978
OPERATING INCOME	7,381	9,223
OTHER INCOME, net	545	700
INCOME BEFORE PROVISION FOR INCOME TAXES	7,926	9,923
PROVISION FOR INCOME TAXES	3,130	3,818
NET INCOME	4,796	6,105
OTHER COMPREHENSIVE INCOME (LOSS), net of tax:		
Foreign currency translation adjustments	(109)	(198)
Unrealized holding gains arising during the period	54	20
Reclassification adjustment for gains included in net income	(31)	(9)
	(86)	(187)
COMPREHENSIVE INCOME	$ 4,710	$ 5,918
BASIC NET INCOME PER COMMON SHARE	$ 0.27	$ 0.33
WEIGHTED AVERAGE BASIC SHARES	17,725	18,477
DILUTED NET INCOME PER COMMON SHARE	$ 0.27	$ 0.32
WEIGHTED AVERAGE DILUTED SHARES	17,825	18,791

</TABLE>

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

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

<TABLE>
<CAPTION>

	Six Months Ended June 30,	
	1999	1998
SALES REVENUE	$143,817	$152,484
COSTS AND EXPENSES:		
Cost of goods sold	25,141	27,187

Volume incentives	65,887	70,673
Selling, general and administrative	37,749	37,543
	128,777	135,403
OPERATING INCOME	15,040	17,081
OTHER INCOME, net	1,142	1,029
INCOME BEFORE PROVISION FOR INCOME TAXES	16,182	18,110
PROVISION FOR INCOME TAXES	6,396	7,138
NET INCOME	9,786	10,972
OTHER COMPREHENSIVE INCOME (LOSS), net of tax:		
Foreign currency translation adjustments	(2,546)	(156)
Unrealized holding gains (losses) arising during the period	47	(105)
Reclassification adjustment for gains included in net income	(31)	(9)
	(2,530)	(270)
COMPREHENSIVE INCOME	$ 7,256	$ 10,702
BASIC NET INCOME PER COMMON SHARE	$ 0.55	$ 0.59
WEIGHTED AVERAGE BASIC SHARES	17,850	18,532
DILUTED NET INCOME PER COMMON SHARE	$ 0.54	$ 0.58
WEIGHTED AVERAGE DILUTED SHARES	17,961	18,871

</TABLE>

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

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

<TABLE>
<CAPTION>

	Six Months Ended June 30,	
	1999	1998
<S>	<C>	<C>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 9,786	$ 10,972
Adjustments to reconcile net income to net cash provided by operating activities:		
Bad debt expense	106	70
Depreciation and amortization	2,808	2,535
Gain on sale of fixed assets	(7)	(25)
Changes in assets and liabilities:		
Decrease (increase) in accounts receivable	165	(1,679)
Decrease in inventories	1,625	203
(Increase) decrease in prepaid expenses and other assets	(715)	1,839
Decrease in accounts payable	(1,062)	(1)
Increase in accrued volume incentives	834	1,583
Increase in accrued liabilities	2,831	4,382
Decrease in income taxes payable	(167)	(1,045)

Increase in deferred income taxes	133	194
Cumulative translation adjustments	(1,555)	190
Net Cash Provided by Operating Activities	14,782	19,218
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital expenditures	(2,371)	(4,818)
(Purchase) sale of long-term investments	(485)	77
Payments received on long-term receivables	41	94
Purchase of other assets	(1,402)	(884)
Proceeds from sale of assets	25	51
Net Cash Used in Investing Activities	(4,192)	(5,480)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payment of cash dividends	(1,190)	(1,237)
Purchase of treasury stock	(4,533)	(5,521)
Repayments of short-term debt	(506)	(836)
Proceeds from exercise of stock options	---	1,041
Tax benefit from stock option exercise	---	318
Net Cash Used in Financing Activities	(6,229)	(6,235)
EFFECT OF EXCHANGE RATES ON CASH	(992)	(346)
NET INCREASE IN CASH AND CASH EQUIVALENTS	3,369	7,157
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	22,099	27,813
CASH AND CASH EQUIVALENTS AT END OF PERIOD	$25,468	$34,970

</TABLE>

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

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

(1) INTERIM FINANCIAL STATEMENT POLICIES AND DISCLOSURES

The unaudited, condensed consolidated 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 condensed consolidated financial statements reflect all adjustments, which in the opinion of management, are necessary to present fairly the financial position as of June 30, 1999, and the results of operations for the periods presented. All of the adjustments which have been made in these condensed consolidated financial statements are of a normal recurring nature. Operating results for the three- and six-month periods ended June 30, 1999, are not necessarily indicative of the results that may be expected for the year ending December 31, 1999.

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 Annual Report on Form 10-K for the year ended December 31, 1998.

(2) INVENTORIES

<TABLE>
<CAPTION>
Inventories consist of the following:

	June 30, 1999	December 31, 1998
<S>	<C>	<C>
Raw materials	$ 5,678	$ 6,104

Work in process	1,396	1,377
Finished goods	13,795	15,013
	$20,869	$22,494

</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 June 30, 1999, the Company had a total of 1,115 options outstanding. The options were all granted at market prices and have a weighted average exercise price of $10.92.

Following is a reconciliation of the numerator and denominator of Basic EPS to the numerator and denominator of Diluted EPS for the three and six months ended:

<TABLE>
<CAPTION>

Net Income	Shares (Numerator)	Per Share (Denominator)	Amount
THREE MONTHS ENDED JUNE 30, 1999			
<S>	<C>	<C>	<C>
Basic EPS	$4,710	17,725	$0.27
Effect of stock options	---	100	
Diluted EPS	$4,710	17,825	$0.27

Three Months Ended June 30, 1998			
Basic EPS	$5,918	18,477	$0.33
Effect of stock options	---	314	
Diluted EPS	$5,918	17,791	$0.32

Net Income	Shares (Numerator)	Per Share (Denominator)	Amount

SIX MONTHS ENDED JUNE 30, 1999			
Basic EPS	$ 9,786	17,850	$0.55
Effect of stock options	---	111	
Diluted EPS	$ 9,786	17,961	$0.54
Six Months Ended June 30, 1998			
Basic EPS	$10,972	18,532	$0.59
Effect of stock options	---	339	
Diluted EPS	$10,972	18,871	$0.58

</TABLE>

For the three months ended June 30, 1999 and 1998, there were outstanding options to purchase 708 and 26 shares of common stock, respectively, that were not included in the computation of Diluted EPS, as their effect would have been anti-dilutive. For the six months ended June 30, 1999 and 1998, there were outstanding options to purchase 142 and 18 shares of common stock, respectively, that were not included in the computation of Diluted EPS, as their effect would have been anti-dilutive.

(4) EQUITY TRANSACTIONS

The Company has declared 44 consecutive quarterly cash dividends. The most recent quarterly cash dividend of 3 1/3 cents per common share was declared on July 28, 1999, to shareholders of record on August 9, 1999 and is payable on August 19, 1999.

For the six months ended June 30, 1999, the Company repurchased approximately 382 shares of its common stock. During the second quarter the Company completed the 500 common share repurchase program previously authorized by the Board in September 1998. On May 11, 1999, the Board of Directors authorized the repurchase up to 500 shares of the Company's common stock as market conditions warrant. As of June 30, 1999, the Company had repurchased approximately 108 shares of common stock under this approval. Subsequent to June 30, 1999, the Company repurchased an additional 128 shares of common stock under this authorization.

(5) RECENT ACCOUNTING PRONOUNCEMENTS

In June 1998, the Financial Accounting Standards Board issued Statement of Financial Accounting Standard (SFAS) No. 133, "Accounting for Derivative Instruments and Hedging Activities." The Statement establishes accounting and reporting standards requiring that derivative instruments be recorded in the balance sheet as either an asset or liability measured at its fair value and that changes in the derivative's fair value be recognized currently in earnings unless specific hedge accounting criteria are met. SFAS No. 133 is effective for fiscal years beginning after June 15, 2000. The adoption of this statement will not have a material effect on the Company's consolidated financial statements as the Company does not currently hold any derivative or hedging instruments.

(6) ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

The composition of accumulated other comprehensive income (loss), net of tax, is as follows:

<TABLE>

	Foreign Currency Adjustments	Unrealized Gains/(Losses) on Available-for Sale Securities	Total Accumulated Other Comprehensive Income (Loss)

<S> <C> <C> <C>

Balance as of December 31, 1998	$(7,012)	$364	$(6,648)
Current period change	(2,546)	16	(2,530)
Balance as of June 30, 1999	$(9,558)	$380	$(9,178)

</TABLE>

During the six months ended June 30, 1999, the Brazilian real devalued (approximately 46 percent) relative to the U.S. dollar. A significant portion of the foreign currency adjustment is associated with the devaluation of the Brazilian real.

(7) LEGAL PROCEEDINGS

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 effect upon the Company's consolidated results of operations or financial position.

(8) SEGMENT INFORMATION

The Company has four operating segments. These operating segments are components of the Company for which separate information is available that is evaluated regularly by management in deciding how to allocate resources and in assessing performance. The Company evaluates performance based on operating income (loss).

The Company's operating segments are based on geographic operations and include a domestic segment (United States) and three international segments consisting of Latin America, Asia Pacific and other regions. Intersegment sales, eliminated in consolidation, are not material.

Prior balances have been restated to reflect the Company's implementation of SFAS No. 131.

Segment information for the three and six months ended June 30, 1999 and 1998, are as follows:

<TABLE>
<CAPTION>

	Three Months Ended June 30,		Six Months Ended June 30,	
	1999	1998	1999	1998
<S>	<C>	<C>	<C>	<C>
Sales Revenue:				
Domestic	$46,392	$49,268	$ 94,972	$ 98,761
International:				
Latin America	17,521	21,888	34,652	41,962
Asia Pacific	3,705	2,266	6,707	4,561
Other	4,020	3,779	7,486	7,200
	71,638	77,201	143,817	152,484
Operating Expenses:				
Domestic	39,833	41,691	81,581	85,122
International:				
Latin America	16,837	20,060	32,636	

				38,064
Asia Pacific	3,992	2,999	7,832	5,914
Other	3,596	3,229	6,728	6,303
	64,258	67,978	128,777	135,403
Operating Income:				
Domestic	6,559	7,577	13,391	13,641
International:				
Latin America	684	1,828	2,016	3,898
Asia Pacific	(287)	(732)	(1,125)	(1,353)
Other	424	550	758	895
	7,380	9,223	15,040	17,081
Other Income (Expense)	546	700	1,142	1,029
Income Before Provision for Income Taxes	$ 7,926	$ 9,923	$ 16,182	$ 18,110

</TABLE>

Segment assets as of June 30, 1999 and December 31, 1998, are as follows:

<TABLE>

<S>	JUNE 30, 1999 <C>	December 31, 1998 <C>
Assets		
Domestic	$ 66,130	$ 62,971
International:		
Latin America	31,823	32,154
Asia Pacific	6,212	6,236
Other	2,933	2,338
	$107,098	$103,699

</TABLE>

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 thereto and management's discussion and analysis included in the Company's Annual Report for the year ended December 31, 1998.

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.

(Dollar Amounts in Thousands)
(UNAUDITED)

<TABLE>
<CAPTION>

(i) Income and Expense Items as a Percent of Sales	(ii) Three Months Ended June 30 1999 to 1998

Three Months Ended June 30				
1999	1998	Income and Expense Items	Amount of Increase (Decrease)	Percent of Change
<S>	<C>	<C>	<C>	<C>
100.0%	100.0%	Sales revenue	$(5,562)	(7.2)%
17.2	17.7	Cost of sales	(1,362)	(10.0)
45.7	45.9	Volume incentives	(2,710)	(7.6)
26.8	24.4	SG&A expenses	352	1.9
89.7	88.0	Total operating expenses	(3,720)	(5.5)
10.3	12.0	Operating income	(1,842)	(20.0)
0.8	0.9	Other income	(155)	(22.2)
11.1	12.9	Income before income taxes	(1,997)	(20.1)
4.4	5.0	Provision for income taxes	(688)	(18.0)
6.7%	7.9%	Net income	$(1,309)	(21.4)%

</TABLE>

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.

(Dollar Amounts in Thousands)
(UNAUDITED)

<TABLE>
<CAPTION>

(i) Income and Expense Items as a Percent of Sales			(ii) Six Months Ended June 30 1999 to 1998	
Six Months Ended June 30				
1999	1998	Income and Expense Items	Amount of Increase (Decrease)	Percent of Change
<S>	<C>	<C>	<C>	<C>
100.0%	100.0%	Sales revenue	$(8,667)	(5.7)%
17.5	17.8	Cost of sales	(2,046)	(7.5)
45.8	46.4	Volume incentives	(4,786)	(6.8)
26.2	24.6	SG&A expenses	206	0.5
89.5	88.8	Total operating expenses	(6,626)	(4.9)
10.5	11.2	Operating income	(2,041)	(11.9)

0.8	0.7	Other income	113	11.0
11.3	11.9	Income before income taxes	(1,928)	(10.6)
4.5	4.7	Provision for income taxes	(742)	(10.4)
6.8%	7.2%	Net income	$(1,186)	(10.8)%

</TABLE>

SALES REVENUE

Sales revenue for the three months ended June 30, 1999, was $71.6 million compared to $77.2 million in the prior year, and a decrease of approximately 7 percent. Sales revenue for the six months ended June 30, 1999, was $143.8 million compared to $152.5 million in the same period the prior year, a decrease of approximately 6 percent. Management believes the decrease in sales for the three and six months ended June 30, 1999, is attributable to increased product and price competition in the nutritional supplement market as well as increased competition for new distributors and the continued devaluation of foreign currencies against the U.S. dollar. Sales revenue in the Company's domestic operations for the three and six months ended June 30, 1999, were $46.4 million and $95.0 million, a decrease of approximately 6 percent and 4 percent, respectively, over the same periods in the prior year. The domestic sales revenue growth rate was negatively impacted during the period by increased product and price competition in the nutritional supplement market. The Company expects competition to remain strong for the foreseeable future. Management is testing and evaluating various marketing programs in an effort to restore current growth rates to those experienced previously.

The Company's international operations reported sales revenue of $25.2 million and $48.8 million for the three and six months ended June 30, 1999, a decrease of 10 percent and 9 percent, respectively, compared to the same periods in 1998. The declining rate of growth of international sales revenue was primarily the result of the increased valuation of the U.S. dollar against foreign currencies. The international operation which reported the most significant foreign currency impact was Brazil. During the six months ended June 30, 1999, the Brazilian real devalued (approximately 46 percent) relative to the U.S. dollar. Effective March 1, 1999, the Company instituted a price increase in Brazil, to offset a portion of this devaluation. Eliminating the adverse effect of the foreign currency devaluation,

international sales revenue would have increased approximately 4 percent. The Company also experienced a decrease in sales revenue in local currency in certain of its Latin American subsidiaries, most notably, Colombia and Venezuela.

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 at June 30, 1999, was 15,559 compared to 15,606 at June 30, 1998. The number of Distributors at June 30, 1999, was approximately 532,000 compared to approximately 516,000 at December 31, 1998, an increase of approximately 3 percent.

COST OF GOODS SOLD

For the three and six months ended June 30, 1999, the Company experienced a slight decrease in cost of goods sold, as a percentage of sales, compared to the same period in the prior year.

Management expects cost of goods sold to remain relatively constant as a percent of sales during the remainder of 1999, as compared to the six months ended June 30, 1999.

VOLUME INCENTIVES

Volume incentives are payments to independent sales force members for reaching certain levels of sales performance and organizational development and are an integral part of the Company's direct sales marketing program. Volume incentives vary slightly, on a percentage basis, by product due to the Company's pricing policies. For the six months ended June 30, 1999, the Company experienced a 0.6 percent decrease in volume incentives, as a percentage of sales, compared to the same period the prior year. The decrease in volume incentives is primarily the result of change in product sales mix to products that have a lower volume incentive payout. Management expects volume incentives to remain

relatively constant, as a percent of sales, during the remainder of 1999, as compared to the quarter ended June 30, 1999.

SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

Selling, general and administrative expenses for the three and six months ended June 30, 1999, increased, as a percent of sales, as the result of the decrease in sales revenue. Actual SG&A expenses increased slightly during the six months ended June 30, 1999, as compared to the same period the prior year. Management expects SG&A to decrease slightly, as a percent of sales, for the year ended December 31, 1999, compared to the quarter ended June 30, 1999.

SEGMENT INFORMATION

See information included in the condensed consolidated financial statements under Item 1 Note 8.

BALANCE SHEET

ACCRUED LIABILITIES

Accrued liabilities increased approximately $2.2 million as of June 30, 1999, as compared to December 31, 1998, as a result of accruals associated with the Company's sales conventions and travel programs.

LIQUIDITY AND CAPITAL RESOURCES

Cash and cash equivalents increased approximately $3.4 million for the six months ended June 30, 1999. The increase in cash and cash equivalents is primarily the result of net income as well as the increases in accrued liabilities. During the six months ended June 30, 1999, cash totaling $4.5 million was used to repurchase approximately 382,000 shares of common stock. Management believes the Company's stock is an attractive investment and pursuant to its recently announced 500,000 common share buyback program purchased an additional 128,000 shares of its common stock subsequent to June 30, 1999.

On February 23, 1999, the Company's Board of Directors authorized the expenditure of $6.0 million for revitalizing and relaunching the Company's products in Japan. The authorized funds will be used for marketing and advertising costs as well as capital improvements. The Company anticipates a majority of these expenditures to take place during the third and fourth quarters of 1999, and will be funded from the Company's current working capital. The Company expects operating results for the third and fourth quarters of 1999 to be impacted by the planned investments associated with the relaunch of its Japanese operations.

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

LEGAL PROCEEDING

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 effect upon the Company's consolidated results of operations or financial position.

THE YEAR 2000 ISSUE

In an effort to ensure the Company's information systems as well as all other systems are Year 2000 ("Y2K") compliant, the Company is actively engaged in assessing and correcting any potential

problems. During 1997, the Company formed a committee to review all systems and correct any potential problems. After initial review of all internal systems, the Company determined that the majority are currently Y2K compliant. It is estimated by third quarter of 1999, systems which are not currently Y2K compliant will be brought into compliance.

The Company has estimated that it may need to spend from $0.5 million to $1.0 million to ensure that all areas of non-compliance are corrected. Most of the systems that are not currently compliant had previously been scheduled for replacement as part of the Company's ongoing maintenance and upgrading programs.

The Company anticipates that risks related to its information and non-information systems will be mitigated by current efforts being made in conjunction with ongoing testing and review of its systems. However, the primary Y2K risk to the Company's operation is potential service disruption from third-party providers. These services include but are not limited to providers that supply telephone, electricity, banking, shipping and raw materials for the Company's manufacturing operations. Any disruption of these critical services would hinder the Company's ability to receive, process and ship orders. In the event of a temporary disruption in the supply of raw materials, the Company believes it currently maintains an adequate supply of finished goods and raw material inventories to sustain manufacturing and distribution of finished product until alternative sources become available. Although in the past the Company has been able to locate alternative sources, there can be no assurance the Company will be successful in locating such sources in the future. The Company also believes that a temporary disruption of communication services would seriously impact the Company's ability to receive and process orders. The Company has manual processes in place, which it believes would provide temporary replacement for such services. Efforts are currently underway to verify Y2K compliance of the Company's major service providers.

Notwithstanding the foregoing, there can be no assurance that the Company will not experience operational difficulties as a result of Y2K issues, either arising out of internal operations or caused by third-party service providers, which individually or collectively could have an adverse impact on business operations and require the Company to incur unanticipated expenses to remedy any problems. The Company is currently evaluating what contingency plans, if any, may need to be made in the event the Company or third-party providers with whom the Company does business experience Y2K problems.

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 relate but not be limited to projections of revenues, income or loss, capital expenditures, 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.

PART II OTHER INFORMATION

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

At the Company's Annual Meeting of Shareholders held on May 17, 1999, the stockholders re-elected the following persons to three-year terms to the Board of Directors:

<TABLE>
<CAPTION>

NOMINEE	FOR	WITHHOLD AUTHORITY
<S>	<C>	<C>

Kristine F. Hughes	16,296,476	336,716
Daniel P. Howells	16,296,412	336,780

</TABLE>

Pauline T. Hughes, Douglas Faggioli, Robert H. Daines and Eugene L. Hughes also serve as directors of the Company, and their terms of office continued after the Annual Meeting.

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: August 11, 1999 /s/ Daniel P. Howells

Daniel P. Howells, President & Chief Executive Officer

Date: August 11, 1999 /s/ Craig D. Huff

Craig D. Huff, Chief Financial Officer

<TABLE> <S> <C>

<ARTICLE> 5
<MULTIPLIER> 1,000

<S>	<C>
<PERIOD-TYPE>	6-MOS
<FISCAL-YEAR-END>	DEC-31-1999
<PERIOD-START>	JAN-01-1999
<PERIOD-END>	JUN-30-1999
<CASH>	25,468
<SECURITIES>	0
<RECEIVABLES>	9,668
<ALLOWANCES>	0
<INVENTORY>	20,869
<CURRENT-ASSETS>	65,760
<PP&E>	25,943
<DEPRECIATION>	0
<TOTAL-ASSETS>	107,098
<CURRENT-LIABILITIES>	28,979
<BONDS>	0
<PREFERRED-MANDATORY>	0
<PREFERRED>	0
<COMMON>	37,528
<OTHER-SE>	37,973
<TOTAL-LIABILITY-AND-EQUITY>	107,098
<SALES>	143,817
<TOTAL-REVENUES>	143,817
<CGS>	25,141
<TOTAL-COSTS>	128,777
<OTHER-EXPENSES>	1,142
<LOSS-PROVISION>	0
<INTEREST-EXPENSE>	0
<INCOME-PRETAX>	16,182
<INCOME-TAX>	6,396
<INCOME-CONTINUING>	9,786
<DISCONTINUED>	0
<EXTRAORDINARY>	0
<CHANGES>	0
<NET-INCOME>	9,786
<EPS-BASIC>	.55
<EPS-DILUTED>	.54

</TABLE>