

March 11, 2011



# Nature's Sunshine Products Reports Fourth Quarter and Full Year Financial Results

PROVO, Utah, March 11, 2011 (GLOBE NEWSWIRE) -- Nature's Sunshine Products, Inc. (Nasdaq:NATR), a leading manufacturer and marketer of natural health products, today reported consolidated financial results for the fourth quarter and full year ended December 31, 2010.

## For the Fourth Quarter of 2010:

Net sales were \$89.9 million, compared with \$89.6 million in the same quarter a year ago. Operating income from continuing operations was \$3.5 million, compared with \$5.9 million in the same quarter a year ago. EBITDA, defined as net income before taxes, depreciation and amortization, other income and expenses, was \$10.1 million, compared with \$10.5 million in the same quarter a year ago. Net loss from continuing operations was \$0.4 million, compared with net income of \$0.1 million in the same quarter a year ago. Basic and diluted net loss per share from continuing operations was a loss of \$0.02 and \$0.03, respectively, compared with net income of \$0.01 and \$0.02, respectively, in the same quarter a year ago. As of December 31, 2010, shareholders' equity was \$68.4 million, compared to \$66.6 million as of December 31, 2009. As of December 31, 2010, active Managers worldwide were 28,300, a decline of 5.7 percent from 30,000 as of December 31, 2009.

## For the Full Year 2010:

Net sales were \$349.9 million, compared with \$342.1 million in the prior year, an increase of 2.3 percent. Operating income from continuing operations was \$11.3 million, compared with \$12.4 million in the prior year, a decrease of 8.9 percent. EBITDA from continuing operations, defined as net income before taxes, depreciation and amortization, other income and expenses, was \$34.1 million, compared with \$34.5 million in the prior year, a decrease of 1.2 percent. Net income from continuing operations was \$8.5 million, compared with \$6.6 million in the prior year, an increase of 28.8 percent. Basic and diluted net income per share from continuing operations was \$0.55 and \$0.53, respectively, compared with \$0.40 and \$0.39, respectively, in the prior year. As of December 31, 2010, shareholders' equity was \$68.4 million, compared to \$57.1 million as of December 31, 2009.

## Additional Financial Information:

Certain events affected the comparability of 2010 versus 2009 quarterly and annual results, as outlined below. For a more detailed comparison of 2010 versus 2009 results, refer to Management's Discussion and Analysis of Financial Condition and Results of Operations included in the Company's Annual Report on Form 10-K for the year ended December 31, 2010.

During the year, the Company ceased operations in Brazil as a result of increased in  
Operating income decreased quarter-over-quarter as a result of net favorable settle  
Net income from continuing operations decreased as a result of a higher current qua

#### **NSP United States Results for the Fourth Quarter:**

Net sales were \$34.9 million, compared with \$38.2 million in the same quarter a yea  
Operating income was \$1.2 million, compared with \$1.6 million in the same quarter a

#### **NSP International Results for the Fourth Quarter:**

Net sales were \$35.2 million, compared with \$36.7 million in the same quarter a yea  
Net sales in the Company's Russian markets were \$15.7 million, compared with \$14.7 m  
Net sales in Venezuela were \$1.4 million, compared with \$3.0 million in the same pe  
Net sales in Mexico were \$3.0 million, compared with \$3.8 million in the same quart  
Operating income was \$0.9 million, compared with an operating loss of \$1.7 million

#### **Synergy Worldwide Results for the Fourth Quarter:**

Net sales were \$19.8 million, compared with \$14.7 million in the same quarter a yea  
Net sales in the United States were \$4.6 million, compared with \$2.0 million for th  
Net sales in Europe were \$3.8 million, compared with \$2.3 million for the same quar  
Net sales in Korea were \$3.8 million, compared with \$2.0 million for the same quart  
Net sales in Japan were \$4.1 million, compared with \$5.5 million for the same quart  
Synergy launched operations in Vietnam during the second quarter of 2010 and report  
Operating income was \$1.5 million, compared with \$6.0 million for the same quarter

#### **Non-GAAP Financial Measures**

The Company has included information concerning EBITDA because management utilizes this information in the evaluation of its operations and believes that this measure is a useful indicator of the Company's ability to fund its business. EBITDA has not been prepared in accordance with generally accepted accounting principles (GAAP). This non-GAAP financial measure should not be considered as an alternative to, or more meaningful than, net income as an indicator of the Company's operating performance. Further, this non-GAAP financial measure, as presented by the Company, may not be comparable to similarly titled measures reported by other companies. The Company has included a reconciliation of EBITDA to reported earnings under GAAP in the attached financial tables.

#### **About Nature's Sunshine Products**

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 Australia, Austria, Belarus, Canada, the Czech Republic, China, Colombia, Costa Rica, the Dominican Republic, Ecuador, El Salvador, Germany, Guatemala, Honduras, Hong Kong, Indonesia, Israel, Japan, Kazakhstan, Latvia, Lithuania, Malaysia, Mexico, Mongolia, the Netherlands, Nicaragua, Norway, Panama, Peru, the Philippines, Poland, Russia, Singapore, South Korea, Sweden, Thailand, Taiwan, Ukraine, the United Kingdom, Venezuela, and Vietnam. The Company also has exclusive distribution agreements with selected companies in Argentina, Australia, Chile, New Zealand, and Norway. Additional information can be obtained at the Company's website, [www.natr.com](http://www.natr.com).

### Cautionary Statement Regarding Forward-Looking Statements

In addition to historical information, this release contains forward-looking statements. Nature's Sunshine may, from time to time, make written or oral forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements encompass Nature's Sunshine's beliefs, expectations, hopes, or intentions regarding future events. Words such as "expects," "intends," "believes," "anticipates," "should," "likely," and similar expressions identify forward-looking statements. All forward-looking statements included in this release are made as of the date hereof and are based on information available to the Company as of such date. Nature's Sunshine assumes no obligation to update any forward-looking statement. Actual results will vary, and may vary materially, from those anticipated, estimated, projected or expected for a number of reasons, including, among others: further reviews of the Company's financial statements by the Company and its Audit Committee; modification of the Company's accounting practices; foreign business risks; industry cyclicalities; fluctuations in customer demand and order pattern; changes in pricing and general economic conditions; as well as other risks detailed in the Company's previous filings with the SEC.

NATURE'S SUNSHINE PRODUCTS, INC. AND SUBSIDIARIES

2010            December 31,  
2009

and \$1,840, respectively

5,947

Accounts receivable, :  
8,294

Common stock, no par value; 50,000 shares authorized, 15,533 and 15,510 shares issued and outstanding as of December, 2010 and 2009, respectively	67,752	67,183
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December 31,

Net sales revenue (net of the rebate portion of volume incentives of \$11,157 and \$12,452, respectively)  
 \$89,889  
 \$89,646

Selli:

Income from continuing operations bef

Net income (lo  
 Los

Basic and diluted net

Net income (lo  
 Los

Net income (lo  
 Los

Weighted average b.

Weighted average dil

December 31,

Net sales revenue (net of the rebate portion of volume incentives of  
\$44,409 and \$47,231, respectively)      \$349,918      \$342,111

Sellin

Income from continuing operations befo

Net incom  
Loss

Basic and diluted net i

Net incom  
Loss

Net incom  
Loss

Weighted average ba  
Weighted average dilu

NATURE'S SUNSH  
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December 31,

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Net income (loss)	\$ (70
EBITDA adjustments:	
Loss from discontinued operations	
Depreciation and amortization	1,
Share-based compensation expense	
Other income, net**	(3
Taxes	4,
EBITDA	\$4,6

December 31,

2

Net income (loss)	\$ (1,23
EBITDA adjustments:	
Loss from discontinued operations	9,
Depreciation and amortization*	4,
Share-based compensation expense	
Other income, net**	(2,7
Taxes	5,
EBITDA	\$15,9

\* Excludes immaterial depreciation from Brazil discontinued operations; results in difference from cash flow statement.

\*\* Other income, net is primarily comprised of foreign exchange gains (losses), interest income, and interest expense.

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Source: Nature's Sunshine Products, Inc.