

**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 22, 2008

**USANA HEALTH SCIENCES, INC.**

(Exact name of registrant as specified in its charter)

Commission File No. 0-21116

Utah  
  
(State or other jurisdiction of  
  
incorporation)

87-0500306  
  
(IRS Employer Identification  
  
Number)

3838 West Parkway Boulevard  
Salt Lake City, Utah 84120  
(Address of principal executive offices, Zip Code)

Registrant's telephone number, including area code: (801) 954-7100

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:

- 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 240.14a-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 240.13e-4(c))
-

**Item 2.02 Results of Operations and Financial Condition.**

On July 22, 2008, USANA Health Sciences, Inc. issued a press release announcing its financial results for the second quarter and six months ended July 28, 2008. The release also announced that executives of the company would discuss these results with investors on a conference call broadcast over the World Wide Web and by telephone and provided access information, date and time for the conference call. A copy of the press release is furnished herewith as Exhibit 99 to this Current Report on Form 8-K and is incorporated herein by reference. The company will also post this document on its corporate website, [www.usanahealthsciences.com](http://www.usanahealthsciences.com).

The information in this Current Report is being furnished and shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section. The information in this Current Report shall not be incorporated by reference into any registration statement or other document pursuant to the Securities Act of 1933, as amended. The furnishing of the information in this Current Report is not intended to, and does not, constitute a representation that such furnishing is required by Regulation FD or that the information this Current Report contains is material investor information that is not otherwise publicly available.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits

Exhibit 99 Press release issued by USANA Health Sciences, Inc. dated July 22, 2008 (furnished herewith).

---

**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 hereunto duly authorized.

**USANA HEALTH SCIENCES, INC.**

**By:**/s/ Gilbert A. Fuller  
Gilbert A. Fuller, Chief Financial Officer

Date: July 22, 2008

## USANA Health Sciences Announces Second Quarter 2008 Financial Results

### *Record Sales of \$109.2 Million; EPS of \$0.62*

SALT LAKE CITY--(BUSINESS WIRE)--USANA Health Sciences, Inc. (NASDAQ: USNA) today announced its financial results for the fiscal second quarter, ended June 28, 2008. The company reported net sales of \$109.2 million and earnings per share of \$0.62, which approximated the preliminary results for the second quarter announced on June 18, 2008.

#### **Financial Performance**

Net sales for the second quarter of 2008 increased by 1.5% to \$109.2 million, compared with \$107.5 million in the second quarter of the prior year. This increase in net sales was primarily the result of new incentive programs for the company's Associates and stronger foreign currencies. On a consecutive quarter basis, net sales increased by 7.5%.

Earnings per share from continuing operations were \$0.62 per share, compared with \$0.66 per share in the second quarter of 2007, a decrease of 6.1%. This decrease in earnings per share for the quarter was due to higher overall operating costs. On a consecutive quarter basis, earnings per share increased by 34.8%. Notably, earnings per share in the second quarter were reduced by \$0.03 due to charges relating to the recently terminated tender offer.

---

For the six months ended June 28, 2008, net sales increased by 1.2% to \$210.8 million, compared with \$208.2 in the first six months of 2007. Earnings per share from continuing operations were \$1.08 in the first six months of 2008, a decrease of 16.9%, compared with \$1.30 in the same period of 2007.

## **Regional Results**

### *North America Region*

During the second quarter of 2008, net sales in North America decreased by 3.3% to \$65.9 million, compared with the second quarter of the prior year. Excluding changes in foreign currency, net sales decreased by 5.9%. This decrease was mainly due to lower-than-expected sales in the U.S., where the number of active Associates declined by 7.7% on a year-over-year basis. On a sequential quarter basis, however, net sales increased by 4.1% in the U.S. and by 5.9% in North America.

### *Asia Pacific Regions*

Net sales in the Asia Pacific regions, during the second quarter of 2008, increased by 9.9% to \$43.3 million, compared with the second quarter of 2007. Excluding changes in foreign currency, net sales increased by 2.6% in these regions. This growth was primarily attributable to increases of 44.9% in Hong Kong, 28.7% in Malaysia, and 11.7% in Taiwan. These sales increases were partially offset by a 3.8% decline in Australia/New Zealand and a 3.3% decline in Singapore, compared with the second quarter of 2007. On a sequential quarter basis, net sales in the Asia Pacific regions increased by 10.2%.

“We were pleased to see our second quarter financial results come in above our original expectations,” said Dave Wentz, president of USANA Health Sciences. “Achieving sequential quarterly sales gains in all but two of our 13 markets gives me confidence that our business is starting to regain its upward momentum. We will continue to focus on accelerating our top-line growth.”

---

Gil Fuller, the company's executive vice president and chief financial officer, said, "We have made extra efforts this quarter to reduce overall corporate spending. Additionally, the majority of the capital investments that we have made to expand our corporate headquarters and regional facility in Sydney, Australia are now largely behind us."

Beginning today, the company is changing its practice for providing financial guidance. USANA will no longer provide financial guidance for its fiscal quarters. The company will, however, provide financial guidance on an annual basis, which it will update periodically. Commenting on this financial guidance, Fuller said, "We are making this change to our guidance practice to focus on the longer-term prospects of our business."

#### **Outlook**

On July 21, 2008, the Company's Compensation Committee increased base salaries and issued significant equity grants that vest over five years. These grants will replace annual grants that the committee would otherwise issue during that time. These increases in cash and equity compensation will reduce earnings per share for 2008 by approximately \$0.12. The committee believes that doing this will increase shareholder value over the long-term by retaining and motivating key management personnel.

The company believes that, for the full-year 2008, net sales will be between \$435 million and \$445 million and earnings per share on a fully diluted basis will be between \$2.30 and \$2.36. This earnings per share estimate is based on a full-year effective tax rate of 36.5%.

#### **Conference Call**

USANA will hold a conference call and webcast to discuss this announcement with investors on Wednesday, July 23, 2008 at 11:00 AM Eastern Time. **Investors may listen to the call by accessing USANA's website at <http://www.usanahealthsciences.com>.**

#### **About USANA**

USANA develops and manufactures high-quality nutritional, personal care, and weight management products that are sold directly to Preferred Customers and Associates throughout the United States, Canada, Australia, New Zealand, Hong Kong, Japan, Taiwan, South Korea, Singapore, Mexico, Malaysia, the Netherlands, and the United Kingdom. More information on USANA can be found at <http://www.usanahealthsciences.com>.

---

**Safe Harbor**

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act. Forward-looking statements in the foregoing press release include, but are not necessarily limited to, references to the expected outcome of initiatives and promotions planned by the company, guidance given for future operating periods, and the company's belief regarding the future effect of incentive programs on the top-line and on operating costs. Our actual results could differ materially from those projected in these forward-looking statements, which involve a number of risks and uncertainties, including reliance upon our network of independent Associates, the governmental regulation of our products, manufacturing and marketing risks, adverse publicity risks, and risks associated with our international expansion. The contents of this release should be considered in conjunction with the risk factors, warnings, and cautionary statements that are contained in our most recent filings with the Securities and Exchange Commission.

---

**USANA Health Sciences, Inc.**  
**Consolidated Statements of Earnings (Unaudited)**  
(In thousands, except per share data)

|  | <b>Quarter Ended</b> |                  |
|--|----------------------|------------------|
|  | <b>30-Jun-07</b>     | <b>28-Jun-08</b> |
| Net sales  | \$ 107,542           | \$ 109,208       |
| Cost of sales  | 22,443               | 21,884           |
| <b>Gross profit</b>  | <b>85,099</b>        | <b>87,324</b>    |
| Operating expenses   |                      |                  |
| Associate incentives   | 43,280               | 45,603           |
| Selling, general and administrative                            | 22,531               | 25,135           |
| Research and development                                       | 902                  | 618              |
| <b>Earnings from operations</b>                                | <b>18,386</b>        | <b>15,968</b>    |
| Other income   | (13)                 | (65)             |
| <b>Earnings from continuing operations before income taxes</b> | <b>18,373</b>        | <b>15,903</b>    |
| Income taxes   | 6,966                | 5,755            |
| Income from continuing operations                              | 11,407               | 10,148           |
| Loss from discontinued operations                              | (93)                 | -                |
| <b>NET EARNINGS</b>  | <b>\$ 11,314</b>     | <b>\$ 10,148</b> |
| Earnings per share - diluted                                   |                      |                  |
| Continuing operations  | \$ 0.66              | \$ 0.62          |
| Discontinued operations  | \$ -                 | \$ -             |
| Net Earnings   | <b>\$ 0.66</b>       | <b>\$ 0.62</b>   |
| Weighted average shares outstanding - diluted                  | 17,163               | 16,460           |



**USANA Health Sciences, Inc.**  
**Consolidated Balance Sheets (Unaudited)**  
(in thousands)

|   | <b>As of<br/>29-Dec-07</b> | <b>As of<br/>28-Jun-08</b> |
|---|----------------------------|----------------------------|
| <b>ASSETS</b>                                     |                            |                            |
| Current Assets                                    |                            |                            |
| Cash and cash equivalents                         | \$ 12,865                  | \$ 9,982                   |
| Inventories                                       | 19,439                     | 22,038                     |
| Other current assets                              | 13,688                     | 12,256                     |
| <b>Total current assets</b>                       | 45,992                     | 44,276                     |
| Property and equipment, net                       | 52,061                     | 60,163                     |
| Goodwill  | 5,690                      | 5,690                      |
| Other assets                                      | 5,385                      | 6,016                      |
| <b>Total assets</b>                               | \$ 109,128                 | \$ 116,145                 |
| <br><b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>   |                            |                            |
| Current liabilities                               |                            |                            |
| Accounts payable                                  | \$ 8,111                   | \$ 8,753                   |
| Other current liabilities                         | 32,074                     | 33,326                     |
| <b>Total current liabilities</b>                  | 40,185                     | 42,079                     |
| Line of credit                                    | 28,000                     | 9,835                      |
| Other long-term liabilities                       | 2,305                      | 2,820                      |
| Stockholders' equity                              | 38,638                     | 61,411                     |
| <b>Total liabilities and stockholders' equity</b> | \$ 109,128                 | \$ 116,145                 |

**USANA Health Sciences, Inc.**  
**Sales by Region**  
(in thousands)

| <b>Region</b>          | <b>Quarter Ended</b>            |               |                                 |               |
|------------------------|---------------------------------|---------------|---------------------------------|---------------|
|                        | <b>30-Jun-07</b><br>(Unaudited) |               | <b>28-Jun-08</b><br>(Unaudited) |               |
| North America          | \$ 68,156                       | 63.4%         | \$ 65,921                       | 60.4%         |
| Southeast Asia/Pacific | 23,570                          | 21.9%         | 24,170                          | 22.1%         |
| East Asia              | 11,631                          | 10.8%         | 15,057                          | 13.8%         |
| North Asia             | 4,185                           | 3.9%          | 4,060                           | 3.7%          |
| Consolidated           | <b>\$ 107,542</b>               | <b>100.0%</b> | <b>\$ 109,208</b>               | <b>100.0%</b> |

Active Associates by Region <sup>(1)</sup>

| <u>Region</u>          | As of            |               |                  |               |
|------------------------|------------------|---------------|------------------|---------------|
|                        | <b>30-Jun-07</b> |               | <b>28-Jun-08</b> |               |
|                        | (Unaudited)      |               | (Unaudited)      |               |
| North America          | 104,000          | 58.5%         | 96,000           | 56.8%         |
| Southeast Asia/Pacific | 40,000           | 22.5%         | 39,000           | 23.1%         |
| East Asia              | 28,000           | 15.7%         | 27,000           | 16.0%         |
| North Asia             | 6,000            | 3.3%          | 7,000            | 4.1%          |
| Total                  | <b>178,000</b>   | <b>100.0%</b> | <b>169,000</b>   | <b>100.0%</b> |

(1) Associates are independent distributors of our products who also purchase our products for their personal use. We only count as active those Associates who have purchased product from USANA at any time during the most recent three-month period, either for personal use or for resale.

---

**Active Preferred Customers by Region <sup>(2)</sup>**

| <b><u>Region</u></b>   | <b>As of</b>       |               |                    |               |
|------------------------|--------------------|---------------|--------------------|---------------|
|                        | <b>30-Jun-07</b>   |               | <b>28-Jun-08</b>   |               |
|                        | <b>(Unaudited)</b> |               | <b>(Unaudited)</b> |               |
| North America          | 71,000             | 89.9%         | 69,000             | 89.6%         |
| Southeast Asia/Pacific | 6,000              | 7.5%          | 6,000              | 7.8%          |
| East Asia              | 1,000              | 1.3%          | 1,000              | 1.3%          |
| North Asia             | 1,000              | 1.3%          | 1,000              | 1.3%          |
| <b>Total</b>           | <b>79,000</b>      | <b>100.0%</b> | <b>77,000</b>      | <b>100.0%</b> |

(2) Preferred Customers purchase our products strictly for their personal use and are not permitted to resell or to distribute the products. We only count as active those Preferred Customers who have purchased product from USANA at any time during the most recent three-month period.

CONTACT:

USANA Health Sciences, Inc.

Riley Timmer, 801-954-7922 (Investors)

[investor.relations@us.usana.com](mailto:investor.relations@us.usana.com)

or

Edelman

Joe Poulos, 312-240-2719 (Media)