

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): May 3, 2016

USANA HEALTH SCIENCES, INC.

(Exact name of registrant as specified in its charter)

Utah
(State or other jurisdiction of incorporation)

001-35024
(Commission File No.)

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))
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Item 2.02 Results of Operations and Financial Condition.

On May 3, 2016, USANA Health Sciences, Inc. issued a press release announcing its financial results for the first quarter of 2016 ending April 2, 2016. The release also announced that the Company will post a document titled "Management Commentary, Results and Outlook" on the Company's website and that executives of the company would hold a conference call with investors, to be broadcast over the World Wide Web and by telephone and provided access information, date and time for the conference call. The Company noted that the call will consist of brief remarks by the Company's management team, before moving directly into questions and answers. A copy of the press release, and the Management Commentary, Results and Outlook, are furnished herewith as Exhibits to this Current Report on Form 8-K and are incorporated herein by reference. These documents will be posted on the Company's corporate website, 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 99.1 Press release issued by USANA Health Sciences, Inc. dated May 3, 2016 (furnished herewith).

Exhibit 99.2 Management Commentary, Results and Outlook provided by USANA Health Sciences, Inc. dated May 3, 2016 (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/ Paul A. Jones

Paul A. Jones, Chief Financial Officer

Date: May 3, 2016

USANA Health Sciences Reports First Quarter Financial Results

- *First quarter net sales increased by 9.6% to a record \$240.4 million, up 16.1% based on constant currency*
- *First quarter EPS increased by 18.0% to \$1.77*
- *Number of active Associates increased by 16.2% to 437,000*
- *Company reiterates 2016 Outlook*

SALT LAKE CITY--(BUSINESS WIRE)--May 3, 2016--USANA Health Sciences, Inc. (NYSE: USNA) today announced financial results for its fiscal first quarter ended April 2, 2016.

Financial Performance

For the first quarter of 2016, net sales increased to a record \$240.4 million, up 9.6%, compared with \$219.4 million in the prior-year period. A stronger U.S. dollar negatively impacted net sales by \$14.2 million in the first quarter of 2016. On a constant currency basis, net sales increased by 16.1%. The Company delivered this growth notwithstanding a challenging prior year comparable due to (i) incremental sales during the first quarter of 2015 from a significant incentive that was offered during that period but was not offered again in the first quarter of 2016, and (ii) incremental sales during the first quarter of 2015 ahead of price increases in China, which did not occur again in the first quarter of 2016. Net sales growth for the first quarter of 2016 was driven by 16.2% growth in the number of active Associates and 9.3% growth in the number of Preferred Customers.

Net earnings for the first quarter increased by 13.3% to \$22.3 million, compared with \$19.7 million during the prior-year period. The increase in net earnings was driven by higher net sales, lower relative Associate Incentives expense, and a lower effective tax rate, which were partially offset by higher selling, general and administrative expense as well as modestly lower gross margins. The 150 basis point decrease in Associate Incentives expense is the result of a short-term incentive that the Company offered during the first quarter of 2015 but did not offer again during the current-year quarter. The 190 basis point decrease in the effective tax rate is due to the Company's early adoption of Accounting Standards Update 2016-09 (Topic 718) - Improvements to Employee Share-Based Payment Accounting. As a result of adopting this standard, the Company recognized (i) modestly higher equity compensation expense, (ii) a higher diluted share count, and (iii) a lower effective tax rate for the current-year quarter. While the adoption of this pronouncement increased net earnings by approximately \$300,000 for the first quarter of 2016, the resulting higher diluted share count offset this increase and earnings per share remained unaffected.

Earnings per diluted share for the first quarter increased by 18.0% to \$1.77, compared with \$1.50 in the prior year period. This increase in earnings per share is the result of higher net earnings and a lower number of diluted shares outstanding due to the Company's share repurchases over the last six months. Weighted average diluted shares outstanding were 12.6 million as of the end of the first quarter of 2016, compared with 13.1 million in the prior-year period. During the first quarter of 2016, the Company repurchased 553,082 shares of common stock for a total investment of \$64.6 million.

The Company ended the quarter with \$150.5 million in cash and cash equivalents. As of April 2, 2016, there was \$35.4 million remaining under the current share repurchase authorization and a balance of \$66 million on the company's line of credit.

"USANA delivered solid performance in the first quarter, notwithstanding the continued impact of a stronger U.S. dollar and a tough prior year comparable," said Dave Wentz, USANA's co-CEO. "Our consistent sales and customer growth reflect the demand from our customers around the world for USANA's high quality products and business opportunity."

Regional Results

Net sales in the Asia Pacific region increased by 13.2% to \$176.4 million, despite a negative \$10.3 million impact from a stronger U.S. dollar. Within Asia Pacific, net sales:

- Increased by 15.5% in Greater China (20.8% on a constant currency basis);
- Increased by 14.4% in the North Asia region (23.2% on a constant currency basis); and
- Increased by 7.8% in the Southeast Asia Pacific region (16.9% on a constant currency basis).

Sales growth in Greater China was driven by 23.6% Associate growth in Mainland China, while sales growth in North Asia resulted from 30.0% Associate growth in South Korea. Sales growth in Southeast Asia Pacific was due to strong Associate growth in several markets in the region. Indonesia also provided a solid contribution of new Associates to the region for its first full quarter of operations. The total number of active Associates in the Asia Pacific region increased by 20.0% year-over-year and 3.8% sequentially.

Net sales in the Americas/Europe region were essentially flat at \$64.0 million, compared to the prior year period. On a constant currency basis, net sales in this region increased by 7.1% year-over-year. Canada and Mexico, two standout markets, generated local currency sales growth of 22.1% and 16.9%, respectively. Both of these markets also reported strong year-over-year Associate growth.

“We continue to see local currency sales and customer growth in most of our markets around the world and expect this momentum to continue during 2016,” said Kevin Guest, USANA’s co-CEO. “We are also continuing to execute our 2016 initiatives, which include announcing and launching several new, personalized products later this year. We are excited about these products and believe they will keep USANA at the forefront of nutritional supplementation.”

Outlook

The Company reiterated its consolidated net sales and earnings per share outlook for 2016, which projects:

- Consolidated net sales between \$1.02 billion and \$1.05 billion
- Earnings per share between \$7.60 and \$8.15

Paul Jones, Chief Financial Officer, commented, “We are reiterating our outlook for 2016, which reflects the ongoing strength of our underlying business and the necessary investments that we communicated at the beginning of the year. We continue to believe that we are well positioned to deliver the growth we have projected for the year while making these investments in our business.”

Conference Call

The Company has posted the “Management Commentary, Results and Outlook” document on the Company’s website (www.usanahealthsciences.com) under the “Investor Relations” section of the site. USANA will hold a conference call and webcast to discuss today’s announcement with investors on Wednesday, May 4, 2016 at 11:00 AM Eastern Time. **Investors may listen to the call by accessing USANA’s website at <http://www.usanahealthsciences.com>.** The call will consist of brief opening remarks by the Company’s management team, before moving directly into questions and answers.

About USANA

USANA develops and manufactures high-quality nutritional supplements, healthy foods and personal care products that are sold directly to Associates and Preferred Customers throughout the United States, Canada, Australia, New Zealand, Hong Kong, China, Japan, Taiwan, South Korea, Singapore, Mexico, Malaysia, the Philippines, the Netherlands, the United Kingdom, Thailand, France, Belgium, Colombia and Indonesia. 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. Our actual results could differ materially from those projected in these forward-looking statements, which involve a number of risks and uncertainties, including global economic conditions generally, 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
(In thousands, except per share data)
(Unaudited)

	Quarter Ended	
	4-Apr-15	2-Apr-16
Net sales	\$ 219,378	\$ 240,449
Cost of sales	38,364	42,920
Gross profit	181,014	197,529
Operating expenses		
Associate incentives	101,353	107,394
Selling, general and administrative	49,875	56,631
Earnings from operations	29,786	33,504
Other income (expense)	168	(496)
Earnings before income taxes	29,954	33,008
Income taxes	10,274	10,709
NET EARNINGS	\$ 19,680	\$ 22,299
Earnings per share - diluted	\$ 1.50	\$ 1.77
Weighted average shares outstanding - diluted	13,085	12,591

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

	As of	As of
	2-Jan-16	2-Apr-16
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 143,210	\$ 150,501
Inventories	66,119	67,554
Prepaid expenses and other current assets	34,935	25,349
Total current assets	244,264	243,404
Property and equipment, net	87,982	94,606
Goodwill	17,432	17,460
Intangible assets, net	38,269	37,984
Deferred income taxes	9,844	13,812
Other assets	25,446	24,461
Total assets	\$ 423,237	\$ 431,727
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Accounts payable	\$ 10,043	\$ 7,992
Other current liabilities	121,369	104,758
Total current liabilities	131,412	112,750
Line of credit- long term	-	66,000
Other long-term liabilities	1,151	1,189
Deferred income taxes	9,822	6,874
Stockholders' equity	280,852	244,914
Total liabilities and stockholders' equity	\$ 423,237	\$ 431,727

USANA Health Sciences, Inc.

Sales by Region

(Unaudited)

(In thousands)

<u>Region</u>	<u>Quarter Ended</u>				<u>Change from Prior Year</u>		<u>Currency Impact</u>	<u>% Change Excluding Currency Impact</u>
	<u>4-Apr-15</u>		<u>2-Apr-16</u>					
Asia Pacific								
Greater China	\$ 101,286	46.2%	\$ 116,998	48.7%	\$ 15,712	15.5%	\$ (5,328)	20.8%
Southeast Asia Pacific	45,339	20.7%	48,861	20.3%	3,522	7.8%	(4,131)	16.9%
North Asia	<u>9,229</u>	<u>4.2%</u>	<u>10,560</u>	<u>4.4%</u>	<u>1,331</u>	<u>14.4%</u>	<u>(809)</u>	<u>23.2%</u>
Asia Pacific Total	155,854	71.1%	176,419	73.4%	20,565	13.2%	(10,268)	19.8%
Americas and Europe	<u>63,524</u>	<u>28.9%</u>	<u>64,030</u>	<u>26.6%</u>	<u>506</u>	<u>0.8%</u>	<u>(3,980)</u>	<u>7.1%</u>
Total	<u>\$ 219,378</u>	<u>100.0%</u>	<u>\$ 240,449</u>	<u>100.0%</u>	<u>\$ 21,071</u>	<u>9.6%</u>	<u>\$ (14,248)</u>	<u>16.1%</u>

Active Associates by Region ⁽¹⁾

(Unaudited)

<u>Region</u>	<u>As of</u>			
	<u>4-Apr-15</u>		<u>2-Apr-16</u>	
Asia Pacific				
Greater China	201,000	53.4%	245,000	56.1%
Southeast Asia Pacific	77,000	20.5%	88,000	20.1%
North Asia	<u>12,000</u>	<u>3.2%</u>	<u>15,000</u>	<u>3.4%</u>
Asia Pacific Total	290,000	77.1%	348,000	79.6%
Americas and Europe	<u>86,000</u>	<u>22.9%</u>	<u>89,000</u>	<u>20.4%</u>
Total	<u>376,000</u>	<u>100.0%</u>	<u>437,000</u>	<u>100.0%</u>

(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 from us any time during the most recent three-month period, either for personal use or for resale.

Active Preferred Customers by Region ⁽²⁾

(Unaudited)

<u>Region</u>	<u>As of</u>			
	<u>4-Apr-15</u>		<u>2-Apr-16</u>	
Asia Pacific				
Greater China	4,000	4.6%	5,000	5.3%
Southeast Asia Pacific	12,000	14.0%	13,000	13.9%
North Asia	<u>7,000</u>	<u>8.1%</u>	<u>10,000</u>	<u>10.6%</u>
Asia Pacific Total	23,000	26.7%	28,000	29.8%
Americas and Europe	<u>63,000</u>	<u>73.3%</u>	<u>66,000</u>	<u>70.2%</u>
Total	<u>86,000</u>	<u>100.0%</u>	<u>94,000</u>	<u>100.0%</u>

(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 from us any time during the most recent three-month period.

CONTACT:

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or

Media contact:

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Public Relations



USANA Health Sciences, Inc.

Q1 2016 Management Commentary, Results and Outlook

- *First quarter net sales increased 9.6% to \$240.4 million, up 16.1% based on constant currency*
- *First quarter EPS increased 18.0% to \$1.77*
- *Number of active Associates increased 16.2% to 437,000*
- *Company reiterates 2016 outlook*

May 4, 2016

Overview

The first quarter of 2016 was a good start to an exciting year for USANA. We generated record net sales for the quarter, notwithstanding continued pressure from a stronger U.S. dollar as well as a tough prior year comparable. We also ended the quarter with a record number of Associates and Preferred Customers.

Customer growth continues to be our primary objective as we focus on introducing our products to more individuals and families around the world with the goal of improving overall health and nutrition. Our consistent sales and customer growth is a reflection of the continued demand for USANA's high-quality products and business opportunity. During the quarter, we continued to execute the next phase of our personalization strategy, which is centered on new product and technology launches. We carried out the first phase of these product launches last week at our annual Asia Pacific Convention where we introduced our "MySmartTMFoods" product line to thousands of Associates and customers in attendance in Singapore. MySmartTMFoods are science-based, healthy nutrition shakes, bars, boosters and flavor optimizers that provide our customers with customized healthy food options. These products will be launched in the U.S. and Canadian markets during May and many of our other markets will launch these products at different times throughout the remainder of 2016. This launch will be followed by another significant product line launch later in the year. We believe the products and technology we have planned for introduction during 2016 will further enhance our already successful approach to personalization, which has been, and continues to be a key differentiating strategy for USANA.

We also continued to execute our strategy in China during the quarter, which includes finalizing our new manufacturing facility and shifting production to this facility later this year. We are on schedule with the facility and are prepared with sufficient inventory and headcount to make the transition in the coming months. To manage inventory and help ensure a smooth transition, we did not offer any sales incentives or promotions in China during the quarter. This created a tough year-over-year comparable for us in China, due to the significant incentive we offered in market during the first quarter of 2015. Compounding the tough year-over-year comparable was an estimated \$12 million in incremental sales ahead of a price increase in China during the first quarter of 2015. Despite these headwinds, we generated solid sales and customer growth in China during the first quarter of 2016 and are confident that China will continue to drive our growth during the year. Although we did not offer incentives and promotions in China, we continued to offer small, market-specific promotions to other regions during the quarter, which contributed to our growth.

Q1 2016 Results

For the first quarter of 2016, net sales increased by 9.6% on a year-over-year basis to \$240.4 million. Fluctuations in currency exchange rates negatively impacted net sales by \$14.2 million. On a constant currency basis, net sales increased by 16.1% year-over-year as a result of strong sales growth in most of our markets.

Sales growth was driven by a 16.2% increase in the number of active Associates and a 9.3% increase in the number of active Preferred Customers. Our Asia Pacific region generated the majority of our Associate growth, where the number of Associates increased 20.0% year-over-year. While Greater China was the largest contributor with 21.9% Associate growth, our Southeast Asia Pacific and North Asia regions each generated double-digit Associate growth. Our North America and Europe region also generated 3.5% Associate growth and 4.8% Preferred Customer growth for the quarter.

Net earnings for the first quarter of 2016 increased by 13.3% to \$22.3 million year-over-year. The increase in net earnings was driven by higher net sales, lower relative Associate Incentives expense, and a lower effective tax rate, which were partially offset by higher selling, general and administrative expense as well as modestly lower gross margins. Associate Incentives expense declined by 150 basis points and was the result of the previously noted incentive that the Company offered during the first quarter of 2015 but did not offer again this year. A 190 basis point decrease in the effective tax rate can be attributed to the Company's early adoption of Accounting Standards Update (ASU) 2016-09 (Topic 718) - Improvements to Employee Share-Based Payment Accounting. As a result of adopting this standard, the Company recognized (i) modestly higher equity compensation expense, (ii) a higher diluted share count, and (iii) a lower effective tax rate for the current-year quarter. Under this standard, excess tax benefits are recognized on the income statement, where previously it was recorded within equity on the balance sheet. Going forward, the adoption of this standard will introduce an increased level of volatility in our net earnings. While the adoption of this standard increased net earnings by approximately \$300,000 for the quarter, the resulting higher diluted share count fully offset this increase and earnings per share remained unaffected.

Earnings per diluted share for the first quarter increased 18.0% to \$1.77. This increase in earnings per share is the result of higher net earnings and a lower number of diluted shares outstanding due to the Company's share repurchases over the last six months. A stronger U.S. dollar negatively impacted earnings per share by an estimated \$0.30 during the current year quarter. Excluding the currency impact, earnings per share would have increased an estimated 38% year-over-year.

Weighted average diluted shares outstanding were 12.6 million at the end of the first quarter of 2016, compared to 13.1 million in the prior-year period. During the first quarter of 2016, the Company repurchased 553,082 shares of common stock for a total investment of \$64.6 million.

The Company ended the first quarter with \$150.5 million in cash and cash equivalents. As of April 2, 2016, there was \$35.4 million remaining under the current share repurchase authorization and a balance of \$66 million on the company's line of credit.

Regional and Financial Results

Asia Pacific Region | Q1 2016 Net Sales of \$176.4 million; 73.4% of Consolidated Net Sales

Net sales in Asia Pacific increased 13.2% year-over-year. The number of active Associates in the region increased 20.0% year-over-year and 4.5% sequentially. This performance was the result of double-digit growth in our active Associates in each of the Greater China, Southeast Asia Pacific, and North Asia regions. Net sales in Asia Pacific as a whole were negatively impacted by \$10.3 million due to a stronger U.S. dollar. Excluding the impact of currency, net sales in Asia Pacific would have increased approximately 19.8% for the quarter.

Greater China. Net sales in Greater China increased 15.5% year-over-year, but increased 20.8% on a constant currency basis. Currency fluctuations reduced net sales by \$5.3 million in this region. Mainland China continued to drive our growth here, where local currency sales increased 25.8% year-over-year and the number of active Associates increased 23.6%.

Southeast Asia Pacific. Net sales in the Southeast Asia Pacific region increased 7.8% year-over-year, but increased 16.9% on a constant currency basis. A stronger U.S. dollar negatively impacted net sales by \$4.1 million in this region. During the quarter, we saw solid local currency sales growth in most of the markets within this region, including our newest market, Indonesia.

North Asia. Net sales in North Asia increased 14.4% year-over-year, but increased 23.2% on a constant currency basis. Sales growth was driven by 25.0% Associate growth in the region. South Korea continued to drive our growth in this region, where the number of Associates increased 30.0% and local currency sales increased 26.6% year-over-year.

Americas and Europe Region | Q1 2016 Net Sales of \$64.0 million; 26.6% of Consolidated Net Sales

In the Americas and Europe region, net sales increased modestly, but increased 7.1% on a constant currency basis. In absolute terms, a stronger U.S. dollar had the effect of reducing net sales in the region by \$4.0 million. Canada and Mexico generated year-over-year local currency sales growth of 22.1% and 16.9%, respectively. The number of active Associates in the region increased 3.5% as a result of strong Associate and Preferred Customer growth in Canada and Mexico.

Quarterly Income Statement Discussion

Gross margins declined 30 basis points year-over-year, due in large part to unfavorable changes in currency exchange rates. This impact was partially offset by a favorable change in our market sales mix as well as modest price increases introduced during the first quarter.

Associate incentives expense for the quarter decreased 150 basis points year-over-year to 44.7% of net sales. The decrease in Associate Incentives expense as a percentage of net sales was due primarily to the short-term incentive that the Company offered during the first quarter of 2015, but did not offer again in first quarter of 2016.

Selling, general and administrative expense was 23.6% of net sales, an increase of 90 basis points compared to the prior year period. The increase in selling, general and administrative expense, on an absolute basis, was due to (i) increased equity compensation expense, which in part can be attributed to the Company's early adoption of the previously mentioned accounting standard, (ii) higher expenses related to our growth in China, and (iii) our investments in infrastructure and product innovation. Additionally, a stronger U.S. dollar negatively impacted SG&A by 60 basis points, on a comparative basis.

The effective tax rate declined 190 basis points year-over-year, due to the Company's early adoption of the previously mentioned accounting standard.

Outlook

We are reiterating our previously issued guidance for fiscal year 2016, which projects:

- Consolidated net sales between \$1.02 billion and \$1.05 billion
- Earnings per share between \$7.60 and \$8.15

Our outlook reflects the ongoing strength of our underlying business and the necessary investments that we communicated at the beginning of the year. These investments, which are essential to achieving USANA's current and long term growth objectives, include:

- Investment to support new product offerings and launches in 2016 and 2017;
- Increased research and development investment to drive future product and technology innovation;
- Investment in information technology systems and infrastructure to support our growing customer base and to further improve the experience of doing business with USANA around the world; and
- Continued investment in Mainland China to support and train a growing Associate base, shift production to a new manufacturing facility, and enhance other infrastructure and operations throughout this key market.

We remain confident in the strength of our business around the world and the growth strategies we are executing. We expect to deliver another year of record results in 2016.

Dave Wentz
Co-CEO

Kevin Guest
Co-CEO

Paul Jones
Chief Financial Officer

Forward-Looking Statements

This document contains forward-looking statements regarding future events or the future financial performance of our company. Those statements involve risks and uncertainties that could cause actual results to differ perhaps materially from results projected in such forward-looking statements. Examples of these statements include those regarding our strategies and outlook for 2016. We caution you that these statements should be considered in conjunction with disclosures, including specific risk factors and financial data contained in our most recent filings with the SEC.

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